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# ***JPRS Report***

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## **East Asia**

### ***Korea***

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NORTH KOREA: SPA AGENDAS  
FOR LONG TERM PLANNING, ANNUAL BUDGET

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1 JUNE 1987

EAST ASIA

KOREA

NORTH KOREA: SPA AGENDAS ON LONG TERM

PLANNING, ANNUAL BUDGET

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N. KOREA/ECONOMY

IMPLEMENTATION OF THIRD 7-YEAR ECONOMIC PLAN, SECOND PLAN REVIEWED

YANG HYONG-SOP OPENING ADDRESS

SK220401 Pyongyang Domestic Service in Korean 1002 GMT 21 Apr 87

[Opening address by Yang Hyong-sop, chairman of the Supreme People's Assembly, SPA, Standing Committee, at the second session of the Eighth DPRK SPA held in the Mansudae Assembly Hall on 21 April 1987--recorded]

[Text] Comrade deputies, today when we are vigorously accelerating the three revolutions--ideological, technological, and cultural--and when we are effecting new revolutionary upsurges in all fields of socialist construction, we are holding the second session of the Eighth SPA.

The great leader Comrade Kim Il-song, in his historic policy speech at the first session of the Eighth SPA held last year, profoundly analyzed the inevitable road of socialist and communist construction and the experience acquired by our people in their complete victory of socialism by further advancing the revolution and construction, and comprehensively and clearly elucidated the methods to realize it.

The historic policy speech by the respected and beloved leader Comrade Kim Il-song is a programmatic work which resplendently elucidated the victorious future of our people's revolutionary cause, the chuche revolutionary cause, an immortal classic work which developed and enriched the theory on socialist and communist construction onto a new higher stage, and a militant banner which powerfully evokes the regime of our Republic and people to new struggles and exploits. [applause]

Our people, having received the historic speech of the respected and beloved leader which comprehensively elucidated the profound ideology and theory concerning socialist and communist construction, the independent line, strategy, and tactics, and the basic methods and struggle task to realize them, have all launched into the magnificent general march of realizing the grand program for the complete victory of socialism with the faith in victory of the socialist and communist cause and with firm fighting spirit, demonstrating high political enthusiasm and creative activeness, and are effecting new innovations everyday.

In particular, greeting the significant revolutionary holiday of April, our people have effected brilliant labor success in all fields of socialist

construction, exerting high passion of loyalty, creativity, and initiative, demonstrating once again the might of the unity and cohesion between the entire party firmly rallied around the leader and all the people.

With the brilliant completion of the 2d 7-Year Plan as a result of the wise leadership of the great leader Comrade Kim Il-song and the vigorous struggle of our working class and all workers who are endlessly loyal to the party and the leader, the socialist economic construction of our country has entered a new higher stage.

The 2d 7-Year Plan was a grand plan of economic construction designed to firmly equip all sectors of the people's economy with modern technology and to further strengthen the economic might of the country, and was a resplendent plan to accelerate the historical cause of socialist and communist construction.

Based on his scientific analysis of the inevitable demand of the development of our revolution and socialist and communist construction, the great leader Comrade Kim Il-song found the decisive guarantee for implementing the 2d 7-Year Plan in thoroughly implementing the line of the three revolutions, and exercised his wise leadership so that the ideological, technological, and cultural revolutions can be continuously pushed ahead.

Our party implemented the party work in close conjunction with the economic work, and by taking active steps to strengthen the party's leadership for economic construction, ensured that the entire country is always filled with the militant spirit and vivacious and lively revolutionary spirit of invariably and resolutely defending and thoroughly implementing the party's policy.

With the successful implementation of the 2d 7-Year Plan under the wise leadership of the party and the leader, all sectors of the people's economy have been firmly equipped with modern technology, the economic might of the country has been exceedingly strengthened, and great upturns have been brought about in all fields of socialist construction. [applause]

Our party's line and policy concerning chucheizing, modernizing, and scienticizing the people's economy have brought forth brilliant fruition, and the self-reliant socialist national economy of our country has been further developed based on modern science and technology.

Our people's brilliant victory in carrying out the 2d 7-Year Plan is a proud victory which clearly proves the justness and the invincible vitality of our party's line of economic construction and policy, which powerfully demonstrates the unequalled superiority of the might of our self-reliant national economy and the socialist system of our country, and which demonstrates the honor of the chuche fatherland, the Chollima Korea, and the heroic spirit of our people. [applause]

Advancing vigorously in the spirit of having successfully occupied the heights of the 2d 7-Year Plan under the wise leadership of the party and the leader, our people have successfully carried out the tasks of the adjustment period, have brilliantly completed the people's economic plan for the first quarter of this year, and are effecting continuous upsurges at all battle sites of major construction projects, including the construction of the Sunchon vinylon complex, the Taechon power plant, and Kwangbok Street. By attaining great success in socialist economic construction, we have built a firm base for advancing toward greater targets.

Our success in socialist economic construction greatly encourages the South Korean people's anti-U.S. struggle for independence and antifascist struggle for democratization, and the South Korean youths, students, and people of many and broad strata are today further stepping up the just and patriotic struggle to establish national sovereignty and realize the independent and peaceful reunification of the country according to the three principles for reunifying the fatherland--independence, peaceful reunification, and grand national unity.

Based on the great success in socialist economic construction, the honorable and important task of carrying out the 3d 7-Year Plan has today been set for our people.

During his historic policy speech, the great leader Comrade Kim Il-song clearly elucidated the direction and method of successfully carrying out the 3d 7-Year Plan--the most important task for our people at present in the field of socialist economic construction.

The basic task of the 3d 7-Year Plan is to continuously and vigorously accelerate the chucheization, modernization, and scientization of the people's economy and provide a firm material and technological base for the complete victory of socialism. To successfully realize this, we should develop science and technology and intensify the technological innovation movement, thereby vigorously pushing ahead the technological remodeling of the people's economy.

During the period of the 3d 7-Year Plan, we should further strengthen the self-reliance of the people's economy, firmly equip all sectors of the people's economy with modern technology, and increase production at a high rate of speed so that we can realize the 10 major prospective targets of socialist economic construction put forward by the Sixth WPK Congress.

If the 3d 7-Year Plan is realized, the country's economic might will be further strengthened and the people's living standard will be improved in an epochal manner, thereby effecting a decisive upturn in the struggle for the complete victory of socialism. [applause]

In the struggle to successfully carry out the 3d 7-Year Plan, this year is a very important year in achieving a breakthrough.

All our workers are filled with firm faith and resolve that they can certainly fulfill any difficult task as long as they have the wise leadership of the party and the leader, the advanced socialist system, the strong self-reliant national economy, and the inexhaustible power of the people in firm unity and cohesion around the party.

Without being conceited at all about the success that has been made, they are continuously and vigorously advancing to accelerate more vigorously the three revolutions--ideological, technological, and cultural--and effect greater new upsurges in socialist construction.

The SPA session, which is being held during such a historic period, will contribute to accelerating the socialist construction of our country by discussing matters of great significance to our people's revolutionary struggle and construction work. [applause]

Firmly believing that the entire session will satisfactorily discuss and resolve all agenda items put forward with the active participation of all the comrade deputies, I declare the second session of the Eighth SPA open pursuant to Article 5, Paragraph 78 of the DPRK Socialist Constitution. [applause]

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N. KOREA/ECONOMY

YI KUN-MO REPORT ON THIRD 7-YEAR PLAN

SK260200 Pyongyang Domestic Service in Korean 1015 GMT 21 Apr 87

["Report by Deputy Yi Kun-mo, premier of the State Administration Council," on the first agenda item of the second session of the Eighth SPA "The 1987-1993 3d 7-Year DPRK People's Economic Development Plan" during the 1st-day sitting of the session on 21 April at the Mansudae Assembly Hall in Pyongyang--recorded]

[Text] Comrade deputies: Today, at this revolutionary turning point when all the people of the country, by upholding the historic policy speech at the first session of the Eighth SPA of the great leader of our party and people Comrade Kim Il-song, have vigorously set out on the road of the general march for the complete victory of socialism with lofty faith in victory, we discuss the 3d 7-Year People's Economic Development Plan, a new far-reaching program of socialist construction for our country.

During his policy speech delivered at the first session of the Eighth SPA, held at a time when all the people's support for and trust in our party and the regime of the Republic had deepened more than ever and our party and the regime of the Republic had been unprecedentedly strengthened, the great leader Comrade Kim Il-song comprehensively systematized the idea and theory on the complete victory of socialism, worked out a far-reaching program of struggle for their implementation, and put forth a wise nation-saving proposal to accelerate the cause of the fatherland's reunification--the cherished desire of the nation.

The historic policy speech of the great leader Comrade Kim Il-song is a great program of socialist and communist construction that has illuminated the correct path to winning the complete victory of socialism and victoriously accelerating the advance of communism under the banner of the chuche idea. It is a great program for the fatherland's reunification that has shown a shortcut to achieving the cause of reunification by overcoming difficulties, and a most adequate guideline that has elucidated the revolutionary stand and policy of our revolution to be maintained in foreign relations to strengthen international solidarity and build a new independent world. [applause]

The great leader Comrade Kim Il-song's policy speech is an immortal classic work that has developed the scientific communist theory to a new high stage

and an invincible revolutionary banner that vigorously encourages our party and people onto new feats and heroic struggles. [applause]

Under the correct leadership of our party and the government of the Republic, our people, by upholding the banner of the chuche idea, have vigorously accelerated the three revolutions--ideological, technological, and cultural--and brilliantly fulfilled the 2d 7-Year Plan, a far-reaching program of socialist construction. By so doing, they have occupied another high ridge on the road to advancing socialism and communism. [applause]

Our party and the government of the Republic, by putting forth the correct line and policy of struggle for socialist economic construction in a timely manner and by organizing and mobilizing our people, have convincingly led the struggle to fulfill great victory for the 2d 7-Year Plan. As a result, we have won a shining epochal success in socialist construction and are able to set a great new milestone in socialist economic construction by working out the 3d 7-Year People's Economic Development Plan and strengthening the material and technological foundation to win the complete victory of socialism. [applause]

The statistical data of the 3d 7-Year People's Economic Development Plan, established based on the strategic line of socialist economic construction put forth at the Sixth WPK Congress, were unanimously approved at the 12th Plenary Session of the Sixth WPK Central Committee, and this SPA session will deliberate and assign the 3d 7-Year Plan worked out according to those data.

The adoption of the 3d 7-Year People's Economic Development Plan, a new long-range goal of socialist economic construction, is an event of great significance in the development of our revolution and socialist construction and will greatly encourage our people's struggle to win the complete victory of socialism and accelerate the cause of chucheization of the entire society. [applause]

Being authorized by the WPK Central Committee and the Government of the DPRK, I will now report on the 1987-1993 3d 7-Year People's Economic Development Plan, using the great leader Comrade Kim Il-song's historic speech during the first session of the Eighth SPA as a guideline.

1. The shining success won during the 2d 7-Year Plan and the adjustment period.

Comrade deputies: During the first session of the Sixth DPRK SPA, the government of the Republic adopted the 2d 7-Year People's Economic Development Plan to effect a great new advance in socialist construction and vigorously encouraged all the people to struggle to fulfill it.

Under the revolutionary banner of self-reliance, all our working people upheld the party's militant slogan "Let us all advance with all strength to implement the decision of the Sixth WPK Congress" and turned out in unison in the struggle to create the speed of the eighties. By so doing, they displayed

their endless creative capabilities and mass heroism and brought about great new upsurges on all fronts of socialist construction. [applause]

Thanks to the creative and realistic efforts and struggles of our people, the 2d 7-Year People's Economic Development Plan was victoriously fulfilled. [applause]

The government of the Republic put forth the fundamental task of the 2d 7-Year Plan to further strengthen the socialist economic foundation by accelerating the chucheization, modernization, and scientization of the people's economy. To successfully accomplish this task, the government of the Republic ensured the continued and thorough implementation of the policy to strengthen the self-sustaining system of the national economy by more multifacetedly and comprehensively developing our economy with domestic resources and with our own strength. At the same time, the industrial and rural economic sectors and all other sectors of the people's economy were made to vigorously wage the struggle to broadly seek general mechanization and automatization and bring production processes and methods and management activities to a new scientific stage.

Thanks to the great vitality of the line of the chucheization, modernization, and scientization of the people's economy, production has increased at a rapid pace in all sectors of the people's economy, and the foundation of the socialist self-reliant national economy of our country has been further strengthened. [applause]

Above all, during the 2d 7-Year Plan our industry has developed rapidly. The huge tasks of the 2d 7-Year Plan were successfully accomplished in all sectors of industry. As a result, during the period from 1978 through 1984, the gross industrial product grew 220 percent; the production of production goods, 220 percent; and the production of consumer goods, 210 percent. As a result, during this period, the annual average growth rate of industrial production in our country reached 12.2 percent.

Strengthening the self-reliant and chuche-oriented character of our industry was the invariable policy of the government of the Republic, and the most important task that faced the industrial sector during the 2d 7-Year Plan. Thus, the government of the Republic ensured that emphasis be placed on expanding and consolidating our own power, material, and fuel bases and, through them, developing our industry multifacetedly and further perfecting the infrastructures industry. Above all, through the positive steps of the government of the Republic, the power base of the country was further strengthened. During the 2d 7-Year Plan, large hydraulic and thermal power plants, sluiceway power plants, and medium-sized and small power plants were extensively built. As a result, our total power production capacities increased 100 percent, and the power base has been further strengthened by the rich hydraulic and fuel resources of the country.

The greatest success in the struggle to strengthen the self-reliant and chuche-oriented character of industry was the rapid development of the mining

industry. During the 2d 7-Year Plan, the Anju district coal mine complex, the Komdok mining complex, the Musan mining complex, and other large collieries and mines were extensively reorganized and expanded, and many new collieries and mines were developed, thus successfully occupying the 70 million-ton peak of coal production and epochally increasing production of various useful minerals. In particular, according to a decision of the Hamhung plenary session of the WPK Central Committee, a modern ore dressing plant with an annual 10 million-ton dressing capacity was magnificently built at the Komdok mining complex, and non-ferrous metal mines were extensively reorganized and expanded in the Komdok and Tanchon districts and Yanggang Province. At the same time, large new modern smelteries, such as the Pyongbuk Smelter, the No 2 Hungnam Smelter, and the 20 September Smelter, were built. As a result, the non-ferrous metal production base of the country was incomparably expanded and strengthened; an even more adequately prepared powerful non-ferrous metal production base for non-ferrous ore cutting, dressing, and smelting, and for processing non-ferrous metal products was provided; and a definite prospect was opened for producing 1.5 million tons of non-ferrous metal.

Strengthening the self-reliance of the ferrous metal industry was an important task in achieving the chucheization of the people's economy. During the 2d 7-Year Plan, iron and steel works were newly established in North Hamgyong Province, the city of Nampo, and North Pyongan Province and the existing iron and steel works were extensively reorganized and expanded. In particular, large modern rolling and second metal processing plants were newly established. During the 1978-1984 period, steel production increased 90 percent and rolled steel production and the production of various second metal processed products also greatly increased. As a result, steel production through basic metallurgical work grew rapidly, the infrastructures of the ferrous metal industry of our country were further perfected, and the demand for various steel materials needed to develop the people's economy was met even more properly.

According to the demands of the chucheization of the people's economy, the chemical industry also developed rapidly. During the 2d 7-Year Plan, the 5 million-ton peak of chemical fertilizer was occupied, synthetic rubber production increased 80 percent, and synthetic fiber production 140 percent. Ceaseless emphasis was placed on developing the organic synthetic industry with domestic resources. As a result, the production of vinalon, the chuche-oriented fiber, grew, and the movilon industry was newly established. At the same time, new sectors, such as the polyethylene industry, were established. As a result, the chemical industry of our country is now able to develop more multifacetedly.

During the 2d 7-Year Plan, the building material industry also developed rapidly. The existing cement plants were reorganized and expanded and new cement plants were built, thus increasing cement production capacities to 12 million tons. At the same time, many modern building material production bases, such as silicate brick plants, were newly established. As a result, the infrastructures of the building material industry were further perfected.



During the 2d 7-Year Plan, the modernization of our industry was accelerated, and the level of its technology and equipment was drastically enhanced. The existing machinery plants were further consolidated, and many large modern machinery plants and workshops, such as the Tae'an heavy machinery complex, the large machine tool annex of the Yongsong machinery complex, and the oxygen separator plant of the Nagwon machinery complex, were newly built. In particular, large machinery, plant facilities, and electronic automation element production bases were strengthened, thus making our machine industry reach a new high stage. [applause]

During the 1978-1984 period, production of the machine industry of our country increased 130 percent, and the machinery and facility self-sufficiency rate of our country reached 98 percent.

Today, our machine industry produces such high-capacity power facilities as 125,000-kilowatt hydroelectric power generators, 50,000-kilowatt thermal turbines, large 210-ton boilers, heavy-duty trucks, large excavators, large bulldozers, comprehensive coal cutting machines, high-speed excavators, large and export machine tools, modern automation elements, and electronic devices in large quantities, producing and supplying comprehensively and in an excellent manner the facilities for the new modern plants being built.

Based on the rapid development of the machine industry, production facilities and technological processes have been renovated in a modern way in all sectors of industry and the comprehensive mechanization and automation of production have been extensively realized.

During the 2d 7-Year Plan, existing light industrial plants were renovated and augmented and modern new light industrial plants were built in large numbers, further increasing production capacity for light industrial goods in general. During this period, the annual production of textiles increased to more than 800 million meters, the production of foodstuffs and luxury items increased 120 percent and the production of daily necessities increased 150 percent.

The government of the Republic emphasized developing large-scale light industrial plants in the production of the people's consumer goods, had the small and medium-sized local industrial plants and daily necessities work teams extensively develop production, and actively encouraged home work teams and side job teams. This made it possible to effectively mobilize and utilize the inner reserves and labor resources of the people's economy, to increase the production of various kinds of the people's consumer goods, and to supply more satisfactorily the people's diverse demands for consumer goods.

During the 2d 7-Year Plan period, the modernization and universalization of boats were accelerated in the fisheries sector, and with the massive expansion of the processing bases for fishery goods, the material and technological base for fisheries were further strengthened. Therefore, during the 2d 7-Year Plan period, 3.6 million tons of fishery goods were produced annually, making it possible to supply the people with more fish and the goods processed from it.

During the 2d 7-Year Plan period, the independence and the technological base of industry were further strengthened, turning our industries into more self-reliant and modern powerful chuche industries capable of increasing the speed of the march of socialist economic construction and successfully realizing the new long-range goal.

New epochal progress was also made in developing the rural economy. During the 2d 7-Year Plan period, the industrialization and modernization of agriculture was accelerated, the rural economy of our country was put on a new scientific and technological basis, and all sectors of agricultural production, including the grain sector, progressed rapidly. Because of the active measures taken by the government of the Republic and the devoted labor struggle of all agricultural workers, continuous upsurges were effected every year in agricultural production, and in 1984, the final year of the 2d 7-Year Plan, the great victory of occupying the 10 million-ton grain peak was achieved. This proud success attained in the rural economic sector strongly demonstrates the justness of our party's agricultural policy and the great vitality of the chuche agricultural method, which puts agricultural production on a scientific basis and firmly ensures continuous high harvests. [applause]

Along the road elucidated by the rural thesis, industrial support for agriculture was strengthened and the rural technological revolution was actively pushed ahead.

New farm machinery plants and workshops directly serving the rural technological revolution were born in large numbers, and highly efficient modern farm machines of various types were produced and supplied to rural areas in large numbers.

During the 2d 7-Year Plan, the number of tractors, trucks, and trailers operating in the agricultural domain increased 1.5, 1.3, and 1.7 times respectively, and farming machines of various types, including rice seedling pulling machines, rice transplanting machines, weeding machines, and harvesting machines, increased.

During the 2d 7-Year Plan, the supply of chemical fertilizer to the rural economy increased 1.6 times, the per hectare application of chemical fertilizers on the paddy and non-paddy fields reached more than 2 tons, and the supply of agricultural chemicals of various kinds also increased much more.

During this period, more than 200 reservoirs and 3,000 pumping stations and many setups for drawing underground water were built to further expand the successes of irrigation. By boosting the mechanization, scientization, and irrigation of the rural economy to a higher level, we built a firm base of agricultural production to relieve our farmers of difficult labor, to make rapid development of the agricultural production capacity, and to successfully occupy higher grain heights. This clearly shows that the programmatic task set forth by the socialist rural thesis which opened a wide prospective for agricultural development is being realized victoriously in our country.

Rapidly developing transportation and transport was one of the important tasks to accelerate the overall economic construction. As a result of continuous major emphasis on railway electrification during the 2d 7-Year Plan, 1,500 km of lines, including those between Pyongyang and Nampo, Kowon and Pongsan, and Kilchu and Hyesan, were switched over to electric traction, and the proportion of haulage via electric locomotive rose from 67 to 88.3 percent. Railway electrification in our country is now near completion. Railway transport vehicles, including electric locomotives and freight cars, increased; railways of many lines were made to suit heavy duty; and concentrated freight transport, container transport, and combined transport of railway and trucking units were further developed.

During the 2d 7-Year Plan, many highways were built in a modern way; cargo freight hauled by trucks epochally increased; and many ports, including Nampo, Haeju, and Hungnam ports, were renovated and expanded in a modern way, rapidly developing ships transport.

During the 2d 7-Year Plan, vast-scale capital construction projects were successfully carried out. During this period, the state capital construction investment in economic and cultural construction on an annual average was 50 percent above that in the period of the 6-year plan.

Making the most of the industrial base that has been built, the government of the Republic vigorously pushed ahead with the industrial construction of an enormous scale to further expand and complete such a base and to create new industrial sectors. As a result, 17,785 new modern plants and workshops were brought forth in an excellent manner and put into operation in the industrial sectors during the 2d 7-Year Plan.

In particular, in accordance with the decision of the Fourth Plenary Session of the Sixth WPK Central Committee, the government of the Republic earmarked the state's vast material and financial resources and vigorously undertook the big great nature-remaking projects of epochal significance in accelerating socialist and communist construction. During the 2d 7-Year Plan, a large number of new monumental edifices were built and towns and villages became more beautiful. In the revolutionary capital of Pyongyang, under the leadership of our party, the Chuche Tower and the Arch of Triumph, the great monumental edifices which are to eternally add luster to the immortal revolutionary achievements of the great leader Comrade Kim Il-song and which are to contribute greatly to the indoctrination on the chuche idea and the revolutionary tradition, were built in an outstanding manner, and the modern Changgwang Street and (?Munsu) Street were built. Many new monumental edifices, such as the Kim Il-song Stadium, the People's Great Study Hall, the Mansudae Assembly Hall, Chnaggwangwon, Pinsanggwon, Chongnyugwan, the Mangyongdae Amusement Park, and the subway between Hyoksin and Kwangbok stations, were built. These monumental edifices have turned Pyongyang into a more magnificent and beautiful modern city.

During the 2d 7-Year Plan, a big open-air revolutionary museum was built in Yanggang Province, and many monumental edifices were built in provincial areas

as well. The provincial cities, such as Wonsan, Hamhung, Chongjin, and (?Tanchon), were renovated in a modern way and came to have a new appearance. The rural areas in general were turned more beautifully into excellent cultural rural areas. All the new monumental creations built everywhere in the country are the shining fruition of the lofty will and great leadership of our party which turns our people's ideal into a resplendent reality.  
[applause]

Science, education, culture, and health services were further developed and all the tasks of socialist cultural construction were successfully carried out.

During the period of the 2d 7-Year Plan, our scientists and technicians achieved a good many valuable successes in scientific research that were greatly helpful in solving urgent scientific and technological problems arising in strengthening the independence and chuche character of our industry, carrying out comprehensive mechanization and automation of production, and improving the technological processes and methods of production.

In particular, our scientists and technicians attained excellent successes in scientific research by intensifying the scientific research work in the agricultural sectors, thoroughly implementing the chuche agricultural method, and producing new types of rice and corn seeds, thereby contributing to accelerating the green revolution.

Educational work was further developed through the struggle to implement the thesis on socialist education. During the period of the 2d 7-Year Plan, the number of universities increased from 155 to 216 and colleges to 576, the base for training technicians and specialists specializing in technological engineering in many sectors of the people's economy was further strengthened, and the number of technicians and specialists in our country increased to 1.25 million.

During the period of the 2d 7-Year Plan, the technique of creating literature and art was actively developed, and excellent literary and art works of a highly ideological and artistic nature, including some 1,300 film and art works, were created in large numbers. Our chuche art indoctrinated our people in a revolutionary manner and powerfully encouraged them to creative labor and the creation of a new life.

During the period of the 2d 7-Year Plan, specialized hospitals and preventive clinics with modern treatment facilities were built in large numbers, and the people's hospitals in cities and counties and hospitals in rural areas were renovated into general hospitals, further improving the medical service for workers.

Based on the brilliant successes attained in the fields of socialist economic construction and cultural construction, our people's material and cultural lives were further improved. The government of the Republic strengthened the

economic base for the wealth, strength, and development of the country and the people's future happiness and put major emphasis on further improving the people's material and cultural lives, thoroughly maintaining the principle of improving the people's lives in a fair and even manner based on it.

With the rapid growth of production during the period of the 2d 7-Year Plan, the national income, which reflects the national product, increased by 80 percent. [applause]

Under the great consideration of our party, during the period of the 2d 7-Year Plan, many people-oriented policies of epochal significance in improving the living standard of workers, were implemented. The workers' income was systematically increased, and with the continuous increase in additional benefits given by the state, the real income of workers and office workers during the 2d 7-Year Plan increased 1.6 times and that of farmers 1.4 times. The living standard of workers, office workers, and farmers improved in a fair and even manner.

Today, all our people fully enjoy affluent and happy lives under the most superior socialist system of our country in which the state takes total responsibility for looking after the people's lives under the invariable consideration of the party and the leader. These are the important successes attained in socialist economic construction during the 2d 7-Year Plan under the correct leadership of our party and the government of the Republic. [applause]

Our people not only fulfilled the 2d 7-Year Plan brilliantly in all fields but have further expanded and developed the success in socialist economic construction over the past 2 years.

Based on the brilliant successes gained in the fulfillment of the 2d 7-Year Plan, the government of the Republic saw to it that an adjustment was made for the development of the national economy in the 1985-1986 period, and thorough preparations were carried out to successfully hit a higher goal of socialist economic construction. This was a wise policy to solidify the successes attained in socialist economic construction during the 2d 7-Year Plan and to successfully realize the 10 major prospective targets of socialist economic construction set forth by the Sixth Party Congress by comprehensively exerting the might of the economic base that had already been built. [applause]

In order to make firm preparations to successfully fulfill the new long-range plan, the government of the Republic has placed major emphasis on developing the ferrous metal industry over the past 2 years, giving definite priority to the fuel and energy industries and railway transport more than anything else, thereby building a stronger fuel and energy base for the country. By strengthening the technological equipment of railway transport, the government of the Republic further increased its capacity of transport, and expanded and developed the fuel base of our country and the iron and steel bases which depend on fuel.

Our party and the government of the Republic have also placed major emphasis on providing a strong base to further accelerate the technological revolution. During this period, our party has strongly evoked the workers to conduct the let-one-machine-tool-make-another movement once again by actively mobilizing the great potential of the socialist economy and inner reserves of our country in all sectors of the people's economy and to produce 10,000-ton presses in the machine industrial sector. Based on this, they saw to it that the base for producing large-size machines was further expanded and strengthened.

Placing fundamental emphasis on the production of large-size machine tools of various types and special machine tools on a nationwide basis, the June 1985 let-one-machine-tool-make-another movement and the struggle to produce 10,000-ton presses were vigorously conducted. These were great innovation movements to effect a new upturn in the development of the machine industry of our country and in carrying out the technological revolution.

We have augmented the modern large machine tools and special machine tools being produced at present, increased their production in an epochal manner, and built new large-size machine tool bases, thereby providing a firm base to further strengthen the might of the machine industry of our country and to advance the technological revolution to a new higher stage.

The most important thing in preparing for the realization of the new long-range plan was to vigorously carry out major construction projects. During this period, our party and the government of our Republic have concentrated their efforts on vigorously pushing ahead with the unprecedentedly large-scale major construction projects, such as the tideland reclamation project of 300,000 chongbo and the construction of the Sohae lockgate, Taechon Power Plant, Sunchon Vinalon Complex, and the northern district railway, opening a firm prospective for realizing the 10 major prospective targets of socialist economic construction ahead of schedule and for more satisfactorily solving the problem of food, clothing, and shelter for the people.

Under the leadership of our party, our people brilliantly completed the construction of the Sohae lockgate, which is of great significance in the development of the people's economy of our country, last year. We splendidly carried out the construction of the Sohae lockgate, which was an unprecedentedly big project of blocking the 10-ri raw sea on the lower Taedong River, within a very short period of time with our own design, technology, and materials. The government of the Republic invested vast state funds of no less than 4 billion won in the construction of the Sohae lockgate alone.

Our brave KPA soldiers, who fulfill any work assigned by the party, splendidly constructed the Sohae lockgate, overcoming all the difficulties and disadvantageous natural conditions and demonstrating the indomitable struggle spirit and collective heroism, thereby thoroughly demonstrating the soldier builders' wisdom, valiance, and revolutionary spirit.

By building the Sohae lockgate, we successfully solved the water problem for the extensive area of tideland on the West Sea and the problem of industrial

water in this area and opened a new broad prospective for our country's agricultural production, industrial development, and the development of transportation and transport, including water transport. It has also made the scenery of the area along the Taedong River and the area on the west coast more beautiful in general.

The Sohae lockgate is a national asset for generations to come for the wealth, strength, and development of the fatherland and for the prosperity of generations to come. It is the most proud monumental creation adding luster the 1980's. [applause]

The fact that we splendidly built the world-renowned Sohae lockgate within a short period of time means tht it is a great work which only our party can accomplish, and strongly demonstrates the inexhaustible creative talent of our people who create great miracles and vigorously advance following the party's leadership and the great economic potential of our Republic.

Comrade deputies, our people have exceedingly strengthened the country's economic might and brought forth a great upturn in all fields of socilaist construction by brilliantly carrying out the tasks for the 2d 7-Year Plan and for the period of adjustment. Our party's line and policy on chucheizing, modernizing, and scientizing the people's economy have brought forth brilliant fruition, and our country's socialist self-reliant national economy has been further strengthened and developed based on modern chuche science and technology. In carrying out the historical task of building the material and technological base of socialism and communism, our people have achieved great upturns, rising onto the top of a high mountain pass from which they can see the complete victory of socialism at a shorter distance. Our country has been able to demonstrate its dignity and might as a strong and prosperous socialist power which has a strong self-reliant national economy and in which science and technology advance rapidly, in which the people enjoy a high living standard, and in which culture and art effloresce resplendently.

By attaining great success in socialist economic construction, we have built a firm base from which we can advance toward high targets. All ese brilliant achievements are the results of the wise leadership of the great leader of our party and people Comrade Kim Il-song and a noble fruition of the selfless efforts of our people who are vigorously advancing under the leadership of our party. [applause]

The great leader Comrade Kim Il-song strongly evoked our people to further deepen and develop the three revolutions--ideological, technological, and cultural--to successfully attain the high targets of the 2d 7-Year Plan and to effect new upsurges in our country's socialist construction, and to wage a general march toward the high summit of socialism raising aloft the banner of self-reliance.

Our party implemented the party's work in close conjunction with economic work and saw to it that the party's leadership for economic construction was intensified and by having the three revolutions teams movement, the movement

to win the red flag of three revolutions, and the movement to learn from the examples of the unheralded heroes vigorously conducted, ensured that the entire land was always filled with the passion of endless loyalty to the party and the leader and vivacious revolutionary spirit.

Whenever a vast task was set for us, our party evoked the popular masses to exert their high revolutionary enthusiasm and creative activeness so that they could open a breakthrough in socialist economic construction, overcoming difficulties. And by conducting such a great movement as the movement to create the speed of the 1980's, it ensured that the revolutionary upsurges of socialist construction took place all over the country.

The facts clearly prove the outstanding and refined leadership of the great leader Comrade Kim Il-song and the might of our party that put forward an accurate line and struggle policy at every stage of socialist construction and led socialist economic construction to a shining victory by highly evoking the popular masses' inexhaustible creativity. [applause]

2. On the 3d 7-Year People's Economic Development Plan; first, the basic task of the 3d 7-Year Plan:

Comrade deputies, as a result of the great success won in the people's economy through the correct leadership of our party and the government of the Republic, an even brighter vista has opened on the road of socialist and communist construction.

Today, we are facing the militant task of more vigorously accelerating the struggle to win the complete victory of socialism by upholding the great leader Comrade Kim Il-song's historic policy speech at the First Session of the Eighth SPA and by fulfilling the long-standing demand of our developing revolution and the revolutionary desire of our people.

By winning the complete victory of socialism the most important problem in achieving the cause of the chucheization of the entire society will be solved. This is the historic mission entrusted to our generation. Endlessly encouraged by the respected and beloved leader Comrade Kim Il-song's historic policy speech, which is the program of socialist and communist construction, our people have vigorously set out on the road of the rewarding struggle to attain the far-reaching goals of the 3d 7-Year People's Economic Development Plan which is decisively important to winning the complete victory of socialism.

The great leader Comrade Kim Il-song has taught: The basic task of the 3d 7-Year Plan is to firmly provide the material and technological foundation to win the complete victory of socialism through the continued acceleration of the chucheization, modernization, and scientization of the people's economy.

The goal which must be attained in economic construction to win the complete victory of socialism is to establish a chuche-oriented economy in which all sectors of the people's economy will have highly modernized and perfected



infrastructures. To attain the goals of socialist economic construction, the line of the self-reliant socialist national economy must be maintained, and the chucheization, modernization, and scientization of the people's economy must be more vigorously accelerated.

During the 2d 7-Year Plan, our party and the government of the Republic vigorously struggled to achieve the chucheization, modernization, and scientization of the people's economy. As a result, the self-reliant and chuche-oriented character of the people's economy was strengthened, all sectors of the people's economy were rapidly developed based on modern science and technology, and the foundation of a self-reliant socialist national economy was incomparably consolidated.

During the new long-range plan, we must more vigorously accelerate the chucheization, modernization, and scientization of the people's economy. By so doing, we must perfect the infrastructures of the people's economy according to the demand for building a self-reliant national economy, decisively enhance the level of its technology and equipment, and base all production activities on modern science, thus further consolidating the material and technological foundation of socialism to properly meet the material demand of the country and people.

In firmly establishing the material and technological foundation of socialism through the continued acceleration of the chucheization, modernization, and scientization of the people's economy, the most important task is to rapidly develop science and technology and vigorously carry out the technological innovation movement. Developing science and technology is precisely the guarantee for ensuring a high speed in our advance movement, for effecting new upsurges in socialist economic construction, and for successfully solving all problems of the 3d 7-Year Plan.

At present, our country's important goal of scientific and technological development is to improve the technology of the people's economy. During the new long-range plan, we must place great emphasis on developing science and technology. At the same time, we must properly solve the scientific and technological problems of socialist economic construction and accelerate the improvement of the technology of the people's economy. By so doing, we must achieve a high technological advance in all sectors of the people's economy and make the overall level of our country's science and technology reach the world level.

To firmly establish the material and technological foundation to win the complete victory of socialism, the 10 long-range goals of socialist economic construction put forth by the Sixth Party Congress must be attained. The 10 long-range goals of socialist economic construction put forth by our party are a far-reaching master plan of economic construction to establish the material and technological foundation of socialism for the socialist society that has won complete victory.

The 3d 7-Year Plan, which reflects the demand of socialist construction on a new high stage, is the one to attain the 10 long-range goals of socialist economic construction.

During the new long-range plan, we must accelerate the technological improvement of the existing plants and enterprises to increase their production capacities to the maximum extent. At the same time, we must extensively build new modern plants and enterprises. By so doing, we must victoriously attain the 10 long-range goals of socialist economic construction.

Epochally improving the people's standard of living is one of the important tasks facing us during the new long-range plan to guarantee the complete victory of socialism. The objective of socialist construction is, after all, to guarantee the affluent and civilized lives of all people. In our country, the food, clothing, and housing problems--the basic elements of our people's material and cultural lives--were solved long ago. Thus, today, the level of our people's overall lives has been incomparably enhanced. Our important task now is to enhance the level of our people's living to the high level of a socialist society that has won complete victory. By placing great emphasis on improving the people's standard of living during the 3d 7-Year Plan, we must more properly solve the people's food, clothing, and housing problems, and effect a new turn in their material and cultural lives.

According to the basic task of the new long-range plan, we must effect new upsurges in socialist economic construction. By so doing, we must rapidly develop all sectors of the people's economy.

During the 3d 7-Year Plan, the industrial product will increase by 1.9 times at an average annual rate of 10 percent, of which the production of production means will increase by 1.9 times and the production of consumer goods by 1.8 times. This means that the industrial product of our country, at the end of the 3d 7-Year Plan, will increase more than 1,100 times over that of 1946, and that it will take only 7 hours to produce the amount of industrial goods produced throughout the entire year of 1946.

During the 3d 7-Year Plan, the gross agricultural product will increase by 1.4 times.

As a result, the nation's gross social product will increase by 1.8 times and the national income by 1.7 times.

According to the party's policy to epochally improve the people's standard of living, during the 3d 7-Year Plan, despite the drastic increase in socialist accumulation, the real income of workers and office employees will increase by 1.6 times and that of the peasants by 1.7 times.

The 3d 7-Year People's Economic Development Plan worked out by our party is the great program of socialist economic construction to win the complete victory of socialism. [applause]

Through the fulfillment of the 3d 7-Year Plan, the economic might of the Republic will grow beyond comparison and our country will proudly join the ranks of countries with advanced economic development.

Through the fulfillment of the 3d 7-Year Plan, we will make our people's material and cultural living reach a very high level, eliminate the differences between the urban and rural areas and the class differences between the working class and peasants, and establish a firm material foundation to realize a classless society. [applause]

Under the revolutionary banner of self-reliance, we must accelerate the march of the eighties with the spirit of Chollima waging the speed battle, and fully display the superiority of the socialist system of our country and the might of its self-reliant national economy. By so doing, we must brilliantly implement the far-reaching program of the 3d 7-Year Plan. [applause]

Second, on rapidly developing the key industries and transportation:

Comrade deputies, rapidly developing the key industries and transportation is an important task which is preferentially presented for the technological improvement of the people's economy, the rapid acceleration of production and construction, and the attainment of the long-range goals of socialist economic construction.

The great leader Comrade Kim Il-song has taught: Rapidly developing the key industries and railway transportation is an urgent demand for developing the economy of our country.

Above all, we must place great emphasis on developing the key industries. The overall success in socialist economic construction depends on the development of the key industries, which are the backbone of the people's economy. In establishing the firm material and technological foundation to win the complete victory of socialism, too, rapidly developing the key industries is also important. During the 3d 7-Year Plan, we must perfect the sectors of the key industries and equip them with modern technology in order to decisively enhance their production capacities. By so doing, we must victoriously occupy the important peaks of the key industries.

The area on which we must place greatest emphasis in developing the key industries is the power industry. During the 3d 7-Year Plan, we must rapidly develop the power industry with our own resources. By so doing, we must make power production firmly exceed the development of other sectors and increase total power production to 100,000 million kWh, thus brilliantly attaining the power production goal set by the Sixth Party Congress.

In developing the power industry, our party's policy is to establish our own strong power base by depending on thermal power plants and other power resources with emphasis on building hydraulic power plants. Hydraulic power plants are credible power bases which are economically efficient, because they depend on the rich water resources of our country, and which cause no

pollution to the natural environment. We must actively develop and utilize the rich water resources in many areas of our country and decisively increase the hydraulic power production rate in power production.

During the new long-range plan, we must complete the construction of the Taecheon power plant, which is now near completion, at an early date. At the same time, we must build large hydraulic power plants such as the Huichon power plant, the Kumgangsan power plant, the Namgang power plant, the Kумыyagang power plant, and the Orangchon power plant. We must build more sluiceway power plants along many areas of large rivers, and extensively build medium- and small-size hydraulic power plants in every local area. By so doing, we must create more than 4 million kWh of hydraulic power production capacities.

To properly solve the power problem, more thermal power plants must be built. During the new long-range plan, we must build the Anju thermal power plant, the Sariwon thermal power plant, the Haeju thermal power plant which will utilize low calorie coal, the deposit amount of which is large in our country. At the same time, we must build the Tongpyongyang thermal power plant, the December power plant, and the Kim Chaek thermal power plant which will supply power and heat for major industrial and urban areas. In addition, we must further strengthen the thermal power production plants which utilize the remaining or waste heat of plants and enterprises. By so doing, we must make the industrial sectors, which need more energy, guarantee their demand for power through their own power production.

To develop the power industry more multifacetedly and solve the energy problem of the country prospectively, during the 3d 7-Year Plan, a large atomic [wonjaryok] plant will be built. In addition, in windy coastal and mountainous areas, windmill power plants will be broadly built.

Actively seeking the technological improvement of the existing power plants and power distribution systems is an important guarantee for increasing power production capacities and effectively utilizing produced power. We must improve the old facilities of the existing power plants into modern power production facilities to increase power production and, as power plants and industrial districts are newly built or expanded, must rationally establish power distribution systems and further improve their technology and equipment.

To solve fuel, material, and energy problems properly, to accelerate the chucheization of the people's economy, and to attain the new long-range goals successfully, coal production must be rapidly increased. As industry and the people's economy of our country rapidly develop, the areas of coal consumption are expanding and the demand for coal is growing rapidly. We must continue to place great emphasis on developing the coal industry. By so doing, during the 3d 7-Year Plan, we must occupy the peak of the 120 million tons of coal set by the Sixth Party Congress.

The main task to develop the coal industry is to develop new collieries and accelerate the modernization of collieries, while placing emphasis on

extensively reorganizing and expanding the large coal mines where coal deposits are great and coal cutting conditions are good.

During the new long-range plan, we must intensively reorganize and expand the collieries of the Anju district where coal deposits are great. At the same time, we must expand large collieries in the Sunchon, Tokchon, Pukchang, Kangdong, and northern districts. By so doing, we must increase coal production epochally.

In addition, to effectively utilize the fuel resources of the country, in the areas where the prospect of power production is good, new collieries must be extensively developed, and low calorie coal, low calorie anthracite, and (?meta-anthracite) [chomuyontan] must be also actively developed.

To increase coal production rapidly, various coal cutting and transport facilities suitable to the conditions of the coal mines of our country must be introduced, and large, modern, and high-speed mining equipment must be introduced. By so doing, the level of the technology and equipment of coal mines must be decisively enhanced.

Further developing the metallurgical industry is one of the important tasks in accelerating the technological improvement of the people's economy and consolidating the material and technological foundation of socialism.

Considering the changed circumstances and the demand of the people's economy, our party and the government of the Republic have decided to adjust the steel production target among the 10 long-range goals of socialist economic construction to 10 million tons.

Today, throughout the world, the rolled steel marketing channel is clogged. As a result, in many countries, steel works are unable to properly operate. In addition, as developing countries establish and develop metallurgical industries, the rolled steel world market is diminishing.

According to the party's policy, during the new long-range plan, we must develop the steel industry with the principle of meeting the domestic demand and further increase the variety of steel products and improve steel quality according to the demands of our country's industry and modern technology.

To occupy the steel peak, the Kim Chaek Iron Complex must complete the ongoing second-phase construction at an early date and install more large blast furnaces, large oxygen mobile furnaces, and sintering furnaces. By so doing, it must increase steel production by more than 5 million tons. In addition, we must reorganize and expand the Hwanghae Iron Complex, the Chollima Steel Complex, the Chongjin Steel Complex, and other iron and steel works. By so doing, we must further increase steel production capacities.

The metallurgical industry, by utilizing various new alloy materials, must drastically increase the production rate of stainless steel and special steel and increase the variety of standardized steel products and metal by-products.

In particular, in rolled steel production, the production of steel beams and thick plates, which are urgently needed by many sectors of the people's economy, must be increased. At the same time, the rate of cold strip material production must be increased, and the production of stainless steel plates, carbon steel plates, high pressure pipes, zinc plates, marcasite plates, and chrome-coated plates must be drastically increased.

Strengthening the self-reliant and chuche-oriented character of the metallurgical industry is the most important demand to realize the chucheization of the people's economy. By further developing metallurgy with domestic materials, we must increase steel production, develop a new variety of steel products by using our domestic alloy materials, and produce various alloy steel products.

To increase steel production, iron ore and refractory material production must be increased. During the new long-range plan, the Musan mine complex must be extensively reorganized and expanded, more ore concentrate transport pipelines between Musan and Chongjin must be installed, the Pukpyong mine and other iron mines in the western sector must be further expanded, and new iron ore mines which have good prospects of development must be developed. In addition, under circumstances in which larger and modern melters are introduced and advanced technology such as the furnaceless smelting method is widely introduced, the production of new types of refractory materials must be increased, magnesite ore and manesia clinker production must be drastically increased, and a new modern refractory material production base must be established.

To rapidly develop the people's economy and strengthen the economic might of the country, non-ferrous metal production must be further increased.

Under the leadership of our party, our people have already won great success in the struggle to implement the decision of the Hamhung plenary session of the WPK Central Committee which opened a broad vista for developing our country's non-ferrous metal production. [applause]

Instead of partially adjusting steel production, we must place great emphasis on the production of non-ferrous metal, the production prospect of which is great in our country and the world market demand of which is large. By so doing, during the 3d 7-Year Plan, we must make the annual non-ferrous metal production reach more than 1.7 million tons by far surpassing the long-range goal of the Sixth Party Congress.

To occupy the non-ferrous metal peak, we must continue to place emphasis on the mines in the Komdok and Tanchon districts and in Yanggang Province where deposits of high-purity minerals are endless. In addition, the 8 November mine, the 5 March youth mine, and other non-ferrous metal mines with the good prospect of production must be extensively reorganized and expanded. By so doing, new large non-ferrous metal mines must be developed in many areas where deposits are great.

Recently, our party has taken a new important step to extensively develop the new metallurgical industry with domestic resources. The establishment of the new metallurgical industry, which will depend on domestic resources, and the overall development of the non-ferrous metal industry will further perfect the infrastructures of the industry, strengthen its chuche-oriented character, and open a new broad vista to develop the people's economy at a rapid pace and improve the people's standard of living.

To rapidly increase non-ferrous metal and various other useful ore production and to actively develop and utilize the country's resources, geological surveys must be developed rapidly. During the new long-range plan, geological survey work must be further modernized and made scientific. By so doing, the underground resources of the country must be completely explored and grasped; new fuel deposits and new iron, non-ferrous, and other new ore deposits must be located; and a firm vista of crude oil production must be opened by replacing great emphasis on exploring crude oil resources in the East and West Seas of our country.

To accelerate the technological improvement of the people's economy and highly modernize all sectors of the people's economy, a new turn must be effected in the machine industry.

According to the demand of modern industry and the development of science and technology, we must develop the machine industry of our country a step higher. During the new long-range plan, the machine industry is facing the important task of further expanding the machine industrial base and accelerating the introduction of precision, large, and high-speed machineries and facilities, thus guaranteeing the production of various machineries and facilities needed for the overall technological improvement of the people's economy, the construction of modern plants, and nature-remaking work.

To properly meet the demand of the sectors of the people's economy for various machineries and facilities, during the 1987-1993 period, we must increase the production of the machine industry of our country by 2.5 times.

Machine tools are the basic need of the machine industry, and the development of the machine tool industry is a prerequisite for the production of modern machineries. During the new long-range plan, machine tool production must be extensively increased; its variety must be expanded; and, in particular, the production of digital machine tools, processing lathes, and special large machine tools must be drastically increased.

By giving priority to the machine tool industry, the heavy machine industry, the vehicle and tractor industry, the mining equipment industry, the construction machine industry, the farm implement industry, and the shipbuilding industry must be further developed, and their production must be epochally increased.

To expand and consolidate the machine industry, during the new long-range plan, a digital computer lathe production base; vehicle engine, diesel engine,

and hydraulic equipment production bases; an electronic equipment production base; and other modern machine processing and assembly bases must be newly built.

To increase the production of machineries and facilities and to improve their quality, the blank pressing and stamping rate must be increased by more than 95 percent, the mechanization and robotization of casting and welding work must be realized, and the tool revolution must be further accelerated by using various new light or ultralight materials in tool production in conformity with the increase in the production of modern machine tools.

Rapidly developing the electronic and automation industries is a major task of the 3d 7-Year Plan. We must place great emphasis on developing the electronic industry, the microelectronic industry in particular, and the automation industry. By so doing, we must decisively increase the production of integrated circuits, various electronic and automation elements, computers, and electronic daily necessities.

During the new long-range plan, computer production must be epochally increased, and, in particular, medium-size computers and microcomputers must be produced extensively. By so doing, we must independently meet the demand of many sectors of the people's economy for computers.

To further develop the electronic and automation industries, during the new long-range plan, we must further reorganize and reinforce the existing electronic and automation equipment production bases and must build integrated circuit plants, computer plants, control equipment plants, electronic automation equipment plants, modern electronic and automation element plants, and electronic home appliance plants.

In addition, to develop the electronic and automation industries, we will further expand the thermocouple and magnetic material production base, the metal and nonmetal blank production base, and the high-purity metal reagent production base, and will increase their production.

During the new long-range plan, based on the rapid development of the automation industry, the robot industry must be extensively developed. We must establish modern robot production bases in Pyongyang and Kusong districts and broadly wage the robot-begets-robot movement at existing plants. By so doing, we must epochally increase robot production and its variety.

To develop the production capacities of the country and extensively carry out the construction for the promotion of the people's welfare, the building material and forestry industries must be developed rapidly.

During the new long-range plan, the building material industry must place emphasis on cement production and broadly introduce new baking methods at the existing cement plants. It must further increase cement production capacities, put the large modern Sangwon cement plant, which is currently near completion, into operation at an early date, and build large cement production



bases in Sariwon and Kaechon districts, which will use new materials. By so doing, in 1993, we will produce 22 million tons of cement by far surpassing the long-range goal set by the Sixth Party Congress.

The forestry industry must develop more forest areas and realize the overall mechanization of forestry work. By so doing, during the new long-range plan, it must drastically increase timber production and extensively expand pressboard and fiberboard production. At the same time, by developing the forestry chemical industry, it must utilize timber comprehensively and effectively.

In our mountainous areas, developing forestland is an important task to expand the forestry resources and preserve the land of the country even more properly. During the new long-range plan, we will plant Korean larch and other economically valuable trees in the 150,000 chongbo of forestland and will further increase the forestry resources of the country.

Rapidly developing transportation is one of the preferential tasks to successfully occupy the important peaks of the key industries, achieve high growth in production of all sectors of the people's economy, and attain the new long-range goals.

In the field of railway transport, we should, above all, strengthen the material and technological foundations of railway transport by accelerating its modernization and scientification and further boost its capabilities.

During the period of the new long-range plan, we should round off the electrification of railways, develop centralized and container transport, elevate railway operations on a new scientific basis, thus increasing the volume of railway freight transport by 1.6 times.

We should perfect the work of laying heavy rails on main lines, modernize rolling stock, improve the level of technological equipment in freight stations and feeder lines, and realize the automation and computerization of railway operations.

During the period of the new long-range plan, we should complete the construction of the northern railway between Hyesan and Musan and lay new circulation railways, railroads, and feeder lines between main lines in the western district to smoothly guarantee railway transport. Along with this, the construction of a double-track railway between Pyongyang and Chongjin should be completed to even further boost the railway transport capacity between the eastern and western districts; the major trunk lines, including lines between Pyongyang and Sariwon, along which a large amount of freight is transported, should be made into double-tracked lines.

During the period of the new long-range plan, coastal and river transport should be developed to reduce the railway burden. Also, we should sharply increase trade shipping by our ships by expanding the capacity of trade ports. In particular, the volume of cargo transport along the Taedong River should be

even further increased compared with now because the waterway of the Taedong River has been extended deep into the inland as a result of the construction of the Sohae lockgate and other barrages.

During the period of the new long-range plan, we should lift the volume of auto transport 2.6 times and develop the auto transport of materials in the local areas and distance transport between big cities. As auto transport increases, important trunk roads should be built into expressways and the pavement of roads should be comprehensively completed by vigorously conducting the construction of roads, and the party's policy of road revolution should be thoroughly implemented. [applause]

Third, on smoothly solving the question of food, clothing, and housing for the people:

Comrade deputies: The 3d 7-Year Plan envisages more smoothly solving the question of food, clothing, and housing for the people and epochally improving the people's standard of living.

The great leader Comrade Kim Il-song has taught: We should decisively increase the production of many kinds of people's consumer goods by concentrating great efforts on developing light industry in the next few years and should make the people's living richer and more affluent by more rapidly boosting agricultural and fisheries production.

Responsibly taking care of the people's living and constantly improving their standard of material and cultural living is an important mission assigned to our party and the people's power. The genuine superiority of the socialist system should be manifested in the constant improvement of the people's standard of living as progress is made in socialist construction.

A task assigned to us today in improving the people's standard of living is smoothly meeting the daily growing demands of the people for food, clothing, and housing. During the period of the 3d 7-Year Plan, we should elevate the overall living standard of the people onto a higher step by further developing the rural economy, fisheries, and light industry and by constructing a large number of residential houses.

Above all, great efforts should be continuously concentrated on developing the rural economy to effect new comprehensive upsurges in agricultural production, and thus attaining the goal for 15 million tons of grain production set forth by the Sixth Party Congress so as to feed the people entirely with rice and store sufficient food reserves.

An important task assigned to the rural economy during the 3d 7-Year Plan is to provide a solid foundation for agricultural production aimed at industrializing agriculture and at turning cooperative ownership into all-people ownership by thoroughly implementing the task of the rural technological revolution which is pointed out in the thesis on the rural problems in our country.

Completely realizing the industrialization of agriculture is a goal that we are trying to attain in carrying out the rural technological revolution. Only when agriculture is industrialized, can the rapid development of agricultural production be achieved, the peasants be liberated from arduous labor, and can they always farm well while working easily.

The irrigation-orientation, electrification, and chemicalization of the rural economy should be thoroughly realized to industrialize agriculture, thus completely applying modern technological processes to agricultural production. We should concentrate all efforts on perfecting the comprehensive mechanization and chemicalization of the rural economy and on further consolidating and developing success in irrigation-orientation and electrification, which have already been realized, thereby industrializing our country's agriculture at a high level.

The number of tractors and many other kinds of farming machines should be sharply increased to materialize the comprehensive mechanization of the rural economy. During the period of the new long-range plan, more efficient tractors than the existing ones should be sent to the countryside so their number per 100 chongbo of arable land may reach 10-12, and such modern farm machines as rice transplanting machines, rice plucking machines, harvest machines, and mobile threshers should be massively supplied to the countryside. In this way, we should see to it that all farming work, ranging from plowing paddy and dry fields to seeding, harvesting, and threshing, can be completely mechanized.

To complete the scientification of the rural economy, during the period of the new long-range plan, we must increase the use of chemical fertilizers per chongbo to more than 2.6 tons by further increasing the supply of chemical fertilizers and must enrich land by plentifully producing and supplying organic fertilizers, as well as microelement fertilizers, by using scientific methods. In addition to this, we must decisively increase the supply of pesticides, herbicides, and various other chemicals.

We must establish more modern irrigation systems by orderly maintaining existing irrigation systems and actively carrying out the work of reforming irrigation systems. We must also demonstrate the powerfulness of our irrigation systems by more abundantly supplying irrigation water to paddy and dry fields. We must also increase the power supply for rural areas and drastically expand the area of power utilization, thus further expanding the successes won electrification.

To rapidly increase agricultural production, we must vigorously carry out the movement to reclaim tideland and to find new land, thereby attaining more arable land. The work of reclaiming a total of 300,000 chongbo of tideland is an unprecedentedly grand nature-remaking project aimed at newly attaining as much as half of the total area of paddy fields of our country. It is also a great project aimed at guaranteeing more affluent lives for our people by expanding the land and providing a more powerful foundation for agricultural production. We must brilliantly realize the grand goal in reclaiming

tideland, which was presented at the Sixth Party Congress, by reclaiming 150,000 chongbo of tideland during the first 3 or 4 years of the new long-term plan, by continuously waging the battle for reclaiming tideland, and by completing the reclamation of the 300,000 chongbo of tideland by 1993.  
[applause]

To speed up the construction of tideland, we must carry out large-scale, medium-scale, and small-scale reclamation projects at the same time, by devoting our efforts to the reclamation of tideland in the estuary of the Chongchon River, Ongchon, Hungjon, Maui Island, Taesak Island, Sinmi Island, and other areas that can be easily reclaimed. Vigorously carrying out the construction of external embankments, while accelerating the construction of internal embankments, is important in tideland reclamation. To begin farming in reclaimed tideland as early as possible, we must reliably build waterways and other irrigation systems; arrange reclaimed tideland in such a way that modern agricultural machines can be used; standardize cultivated fields; arrange, in a reasonable manner, agricultural villages, roads, electricity, running water, and communications facilities; and build farms in a modern fashion. In this way, we must make newly reclaimed tideland ideal communist villages with highly developed large-scale farms.

During the period of the long-range plan, we must further scientize methods of planting crops according to our country's climate and according to the characteristics of each farm by thoroughly materializing the chuche agricultural method, must produce more superior seeds with a high yield by vigorously carrying out the green revolution, and must further increase the production of agricultural products per unit by planting these seeds.

To more satisfactorily resolve the question of food for the people, we must increase the production of vegetable and other industrial crops and further develop the livestock industry and orchard crops. By collectively planting, in suitable places, vegetables, crops that produce edible oil, tobacco, hops, and other industrial products, we must epochally increase their production.

In the livestock sector, we must epochally increase the production of livestock products by fully utilizing the existing livestock bases to the utmost, expanding livestock bases to keep abreast of the increased grain production, breeding new superior fowl species, and widely adopting advanced breeding methods. In addition to this, we must increase the production of fruits per chongbo by further strengthening the materialistic foundation of orchards and widely adopting new methods of growing fruit plants.

By strengthening the industrial support and accelerating the technological revolution in rural areas along the brilliant road illuminated by the socialist agricultural thesis on our country's socialist rural problems, in the immediate future, agricultural industrialization will be achieved, agricultural labor that has been considered arduous labor for a long time in our rural areas will become easy labor; the difference between industrial labor and agricultural labor will be abolished; and our peasants will be eternally liberated from arduous labor.

When the industrialization of agriculture is completed, decisive progress will be made in the struggle to build socialist rural areas and to ultimately resolve the questions facing rural areas, and rural areas in our country will be turned into stronger agricultural production bases that will firmly guarantee the affluent lives of our people.

Rapidly developing the fishery industry is one of the important tasks in improving the people's standard of living. In our country which is surrounded by the sea on three sides, the prospects for the development of the fishery industry are big, and if we utilize the sea after overcoming difficulties, we can improve the people's standard of living and can make our country much wealthier beyond comparison. In the fishery sector, within the period of the 3d 7-Year Plan, the annual output of aquatic production will be raised to 11 million tons and we must overfulfill the long-range goal presented at the Sixth Party Congress. To rapidly increase the production of fishery products, we must modernize and scientize the fishery industry. In the fishery sector, we must build 14,000-ton large-type processing mother ships, 3,750-ton stern trawlers, 1,000-ton and 460-ton fishing ships, and various other ships in large quantities; build large and multifunctional ships; widely use modern equipment; and endlessly increase fish production even on the rough seas by establishing scientific fishing operation systems.

In addition to this, we must increase the area of cultivation farms at sea to 100,000 chongbo and must epochally increase the production of sea tangle, brown seaweed, green seaweed, various clams, ear shells, sea cucumbers, and golden shrimp. Moreover, we must widely breed fish using natural lakes, reservoirs, and rivers.

Processing fishery products is as important as producing them. In step with the increase of the production of fishery products, we must build more cold storage facilities and modern fishery-product processing bases to timely process fish and other fishery products, thereby plentifully providing various sorts of processed fishery products for the workers.

We must also bring about a turn in developing the light industry to more satisfactorily resolve the problems of food, clothing, and housing for the people and to epochally improve the people's lives. During the first 3 to 4 years of the 3d 7-Year Plan, we must score a great turn in producing people's consumer goods. By devoting our efforts to developing the textile industry, among other industries, we must modernize the existing spinning and weaving facilities, build new modern spinning and weaving facilities, and produce 1.5 billion meters of fabric a year, thereby brilliantly attaining the goal for fabric production which was presented at the 6th Party Congress. We must develop the chuche-oriented technology of processing vinalon; massively increase the production of fabric for high-grade Western-style suits, fabric for overcoats, and fabric for other uses; further increase the production rate of knitted clothing by expanding the bases for producing knitted clothing and increasing their production capacity; and further develop the fabric processing industry in step with the improvement of the standard of living.

By devoting our efforts to the footwear industry during the period of the new long-range plan, we must massively increase footwear production; increase the production rates of leather shoes, cast shoes, and leather boots for women; and further diversify the composition of shoes, thereby supplying the people with more shapely and durable shoes of various sorts to their liking in larger quantities.

To make the people lead more affluent lives and to lighten the burden for women in household chores, we must bring about a new turn by developing the food processing industry. In the light industry sector, we must decisively increase the production of daily necessities. We must decisively increase the production of kitchen utensils, furniture, and other household goods; stationery goods, cultural goods, and various other daily necessities. In particular, we must increase on a large scale the production of television sets, home refrigerators, home washers, sewing machines, bicycles, cameras, electronic watches, record players, tape recorders, and other daily necessities to satisfactorily guarantee the daily-increasing demand of the people for these goods.

Improving the packing of goods is important in further developing light industry. Excellently packaging processed food is important in improving the quality of goods and their cultural characteristics and in developing their production. By building more new modern plants during the period of the new long-range plan to produce paper used for packing candies, packing material made of tin, aluminium, and chemical resins, and various other sorts of packing material, we must renovate the packing of processed food and further improve the packing of overall light industrial goods.

Developing small- and medium-sized local industries, as well as large-scale central industries, is the consistent policy of our party in producing people's consumer goods. During the period of the new long-range plan, in the local industrial sector we must further modernize production processes and facilities in the existing plants and strongly organize local resource supply bases to increase production in the local industries to more than 2.5 times. We must score endless upsurges in the production of people's consumer goods by widely developing the movement to produce 3 August people's consumer goods, through building more subplants, work teams, and work sub teams producing necessities in all sectors of the people's economy, plants, and enterprises and through organizing more home work teams and side work teams in cities, workers' districts, and rural villages.

We must bring about a new turn in the chemical industrial sector to develop the rural economy and to accelerate the light industry revolution. The question of attaining the goals of grain and fabric and of more satisfactorily resolving the problems of food, clothing, and housing for the people depend, to an important degree, upon the development of the chemical industry. By devoting more efforts to the chemical industry during the period of the new long-range plan, we must produce 7.2 million tons of chemical fertilizers, 225,000 tons of synthetic fibers, and more than 500,000 tons of plastics and plasticizers, greater than the long-range goals presented at the Sixth Party

Congress, and must increase the production of sodium carbonate by 4.5 times, that of caustic soda by 2.1 times, and that of lactic acid by three times.

To rapidly develop the chemical industry, we must remodel and expand the existing chemical plants with new technology and build new chemical industrial bases--that will rely on resources produced in our country--on a large scale. The construction of the Sunchon vinalon complex, that of the Sariwon potassium fertilizer complex, and that of the Sunchon sodium carbonate plant, which are being vigorously accelerated according to our party's far-sighted plan and its positive measures, are important projects that must be completed during the period of the new long-range plan and are decisively important in more satisfactorily resolving the problems of food, clothing, and housing for the people. According to the party's far-sighted plan, we must develop the capacity to produce 100,000 tons of vinalon by devoting every effort for the construction of the Sunchon vinalon complex. By vigorously accelerating the construction of the Sariwon potassium fertilizer complex, we must build a new chuche-oriented potassium fertilizer industry that relies on resources produced in our country, thereby decisively increasing the production of chemical fertilizers and bringing about a new turn in the qualitative composition of the production of chemical fertilizers. In addition, building the Sunchon sodium carbonate plant, a chuche-oriented basic chemical industrial base that relies on resources produced in our country, will satisfactorily guarantee domestic demand for strong acidic soda, caustic soda, and basic chemical products.

Increasing the production of synthetic rubber and synthetic resins is very important in strengthening the material bases of light industry, enhancing the chuche-oriented character of industry in our country, and advancing the technological revolution. By vigorously assisting the construction of new large-scale chemical industrial bases, all sectors of the people's economy must develop the chemical industry of our country in an overall manner and must decisively increase the production of various chemical products, thereby accelerating the scientization of the people's economy and achieving broad prospects for improving the people's lives.

Vigorously carrying out the construction of dwelling houses, while developing the rural economy and light industry, is an important task to more satisfactorily resolve the problems of food, clothing, and housing for the people. When the people cannot only eat good food and wear good clothing but also live in good dwelling houses, they can lead truly affluent and civilized lives to their heart's content. By excellently building large-scale bases to produce various modern building materials and building equipment in recent years, we have a firm foundation for carrying out the construction of dwelling houses on a massive scale. During the period of the new long-range plan, we will actively carry on the construction of modern dwelling houses for 150,000-200,000 households in towns and villages every year to completely resolve the housing problem for the people in our country. During the period of the new long-range plan, we will increase the rate of dwelling houses with many rooms, including houses with 3-4 dwelling rooms, in building dwelling

houses, thereby increasing the area of dwelling houses per capita by more than 1.3 times.

During the period of the new long-range plan, we will build Pyongyang into a more grandiose and modern city by building Kwangbok Street, Nangnang Street, and other modern residential quarters and more monumental edifices, as well as building up well the Taedong and Totong Rivers and Nungna and Yanggak Islets to be cultural recreational grounds for the working people in the city. By building on a massive scale elegant and modern dwelling houses with silicate bricks in provincial capitals, cities, county seats, and rural villages, we must completely change the appearance of provincial cities and rural areas. We must build many modern dwelling houses, increase the number of parks, recreational sites, and cultural and leisure facilities, build more water supply facilities, and display more pieces of sculpture in all cities to keep up with the increase in population; and must further improve the residents' living conditions in the rural areas.

In our country, there are many famous sites that can be turned into leisure and recreational sites for the workers. During the period of the new long-range plan, we must build on a large scale recreational centers for the workers, office workers, and peasants; more excellently develop Mt Paektu, Mt Kumgang, and Mt Myohyang in a comprehensive manner; and develop large-scale beaches at Myong Sasimni, Monggumpo, and other coastal areas with beautiful scenery, thereby making these places excellent recreational areas for our workers and world-renowned international rest areas.

We must create a better living environment for the people to provide them with more civilized lives. During the period of the new long-range plan, we must invest an enormous amount, on the state level, to improve the environment in major industrial districts. We must also thoroughly adhere to the principle of giving priority to living conditions for the people in carrying out industrial construction. Enabling the people to live easier and more prosperous lives by improving the material and cultural environment is one of the important demands for improving their lives. The more society develops and the more prosperously the people live, the greater are the variety and complexity of the services they demand. During the period of the long-range plan, we must carry out an epochal revolution in the people's service sector to keep up with the epochal increase in the production of the people's consumer goods and with the people's improved standard of living. To satisfactorily guarantee the people's ever-growing demand for goods, during the period of the new long-range plan we must increase retail sales by 2.1 times and improve the work of supplying the rural areas with goods, in particular.

In the people's service sector, by reasonably arranging networks of shops, those of social food-supply work, and those of conveniences in cities, workers' districts, and rural residential areas; by further improving the work of supplying the people with goods; and by actively carrying out various service activities for the people, we must keep the shops, restaurants, and



various other service networks always filled with people and must satisfactorily guarantee conveniences in the people's lives.

When we attain the goals of grain, fishery products, and fabric by rapidly developing the rural economy, the fishery industry, and light industry, in 1993 each individual will receive daily 175 grams of meat, more than 400 grams of fish, an egg, 30 grams of edible oil, 300 gram of fruits, and 100 grams of candies, and each individual will also receive 76 meters of fabric per year. The problem of eating, wearing, spending, and living for our people will be resolved on a new higher level and our people's desire of the century to live happily in roofed houses, while having boiled rice and meat soup and wearing silk dresses, will become a brilliant reality. [applause]

Fourth, on highly developing science and technology:

Highly developing science and technology is one of the basic tasks of the 3d 7-Year Plan.

The great leader Comrade Kim Il-song has taught: The most important question in fulfilling the 3d 7-Year Plan is to develop science and technology and vigorously accelerate the work of remodeling the technology of the national economy by strengthening the movement for technical innovation.

At present we live in the era of science and technology. Science and technology, resulting from man's creative wisdom, has reached a very high level. Its role in developing economy is growing ever higher. Achieving a high growth in production based on highly developed science and technology is a requirement in the economic development of the world.

The 3d 7-Year Plan for the development of the national economy is a plan to remodel the overall technology of the national economy. Only when science and technology is highly developed can a high rate of economic growth be guaranteed, the grand tasks of the new long-range plan be carried out, and socialism and communism be successfully constructed. In the period of the 3d 7-Year Plan, we should effect a new turn in developing the science and technology of the country by vigorously waging the technological revolution.

An important task in developing science and technology at present is to smoothly solve scientific and technological problems for accelerating the chuche-orientation, modernization, and scientization of the national economy.

During the period of the new long-range plan, we should establish various new industrial sectors based on our country's own resources and technology by continuously concentrating great efforts on the work of enhancing the self-reliant and chuche-oriented nature of industry. Also, we should further modernize the technological provisions of the national economy and make all production activities science-oriented by relying on scientific and technological development.

We should, first of all, constantly renovate technology in the field of exploiting and utilizing raw materials, fuel, and power resources in our country in conformity with demands for the chuche-orientation of the national economy. Solving the problem concerning raw materials, fuel, and power is the most important demand for enhancing the self-reliant and chuche-oriented nature of industry and rapidly developing the national economy. In the period of the new long-range plan, we will conduct comprehensive research and study of underground, maritime, hydraulic, and forestry resources in our country; grasp their present status and future prospects; and effectively make the most of them to successfully solve the problem of raw materials, fuel and power.

The most important question in solving the problem of raw materials, fuel, and power by relying on our own resources is to concentrate efforts on developing science and technology to prospectively develop and utilize coal resources. We should utilize bituminous coal, low calorie coal, and anthracite with high-content fixed carbon and low iron content as industrial fuel by developing air-cooled boilers using low calorie coal and (?meta-anthracite) [chomuyontan] and by actively expanding the field in which air-cooled boilers are used. Our country does not have much coking coal and has not yet produced crude oil, so we should develop the metallurgical, chemical, and other industrial fields based on the coal resources of the country.

We should further perfect technique for making iron and steel with our own coal; develop technology for the gasification of coal; industrialize a new production method by which the consumption of electricity is reduced in producing carbide, an important raw material of our country's chuche-oriented industry; and continue to develop the technique for producing carbide. In the period of the new long-range plan, we should build up the large-scale industries of synthetic fiber, synthetic rubber, and synthetic resin on the basis of carbide production by a new method. Also, we will deepen the work of researching (?carbon monoxide chemistry) chemistry and its industrialization, thus developing the chemical industry by our own anthracite in a multifaceted and prospective manner.

Along with this, we should further perfect science and technology in order to develop and utilize potash resources--a tremendous amount of which is located in our country--and new raw materials of chuche-type fundamental chemical industry.

During the period of the new long-range plan, we should actively develop technology aimed at promoting the metallurgical industry in reliance upon our own resources and, in particular, develop technology for producing aluminium and aluminium alloys. Also, technology in the field of processing cement should be rapidly elevated to the world's level.

We should do our best to develop science and technology for solving the problem of the country's energy by making the most of various energy resources, including atomic energy, solar energy, wind energy, and subterranean heat. In particular, we should vigorously push ahead with scientific research work designed to utilize atomic energy as power and

actively resolve scientific and technological problems arising in the field of peaceful use of nuclear energy in conformity with the realistic demands of our national economy.

In the period of the 3d 7-Year Plan, we should also successfully solve the technical problems of gradually remodeling industrial facilities that use imported raw materials and fuel into industries that use our own raw materials and fuel.

An urgent task in developing science and technology is to powerfully press ahead with the work of technologically remodeling existing plants. Technologically remodeling equipment and production processes based on new science and technology is an important part of the work of developing science and technology in the 3d 7-Year Plan.

In our national economy at present, the amount of investment into technological improvements to conserve coal and electricity is much less than that of investment required for constructing new coal mines and power plants to produce the same amount of coal and electricity. Therefore, we should boost the effectiveness of investment, reduce the consumption of energy and raw materials, and rapidly increase production capabilities by earmarking a large amount of investment into industrial construction for modernizing the equipment and production processes of existing plants. We should, above all, vigorously push ahead with technological remodeling work in all fields of the national economy in a planned manner, beginning this work first in the fields of iron and steel, nonferrous metal, chemical, and building materials industries which require a large amount of energy consumption.

We should guarantee high-pressure treatment and oxygen concentration treatment in the existing furnaces, introduce a high-electricity method into electric furnaces, and actively apply new knowledge to the production of rolled steel products, thus sharply reducing energy consumption while increasing production capabilities 1.5 to 2 times. We should continue to push ahead with technological remodeling work to drastically increase production capabilities by administering oxygen in furnaces in many fields of the national economy. This can be done by actively boosting the production of highly efficient large-scale oxygen separators which we have already developed with our own technology.

Realizing the general mechanization, automation, robot-orientation, and computerization of production in all fields of the national economy is an important goal that our party and the government of the Republic plan to attain in developing science and technology during the period of the 3d 7-Year Plan.

During the period of the new long-range plan, we should perfect general mechanization in the fields of coal industry, mining, forestry, farming, construction, and transportation, which still require a great deal of strength and arduous labor.

The automation, robot-orientation, and computerization of production processes should be widely realized in the fields of electric power, metallurgical, chemical, building materials and other industries, railway transport, and communications.

In particular, industrial robots will be widely introduced to highly repetitive assembly line production processes in machine tool building, automobile, tractor, rolling stock, and other industrial fields.

The production of mechanical equipment by computers will increase, and the computerization of production processes will be actively accelerated. Computers will be comprehensively introduced into the major technological production processes of industrial facilities, including metallurgical furnaces, cement rotary kilns, and chemical reaction furnaces, to shift into the state of comprehensively and rationally controlling production processes. Also, programs required by many fields will be developed for use in the sectors of scientific research work, geological survey work, and railway transport.

In order to speed up the modernization of communications, we will lay optical fiber cables between capital and provinces, between provinces and counties, and among counties, and further expand the satellite communication network.

Scientific research work should be decisively strengthened to rapidly develop the science and technology of the country. Without enhancing scientific research work, the level of the country's science and technology cannot be raised to the world's standard, and new upsurges cannot be effected in remodeling technology.

We should solve urgent scientific and technological problems arising in carrying socialist construction into practice, giving priority to the thorough establishment of a chuche-oriented nature in scientific research work; to the chuche-orientation, modernization, and science-orientation of the national economy; and to research work to attain the 10-point long-range goals for socialist construction.

Along with this, scientific research work will be intensified in new fields of science and technology, and mankind's modern scientific and technological achievements will be introduced to suit our specific situation. In particular, we will concentrate efforts on scientific research work aimed at speedily introducing advanced technology in the development and application of the mini-computer, optical fiber communication, bionics, and new energy and materials.

The material foundation of scientific research should be further consolidated to vigorously conduct scientific research work. To strengthen scientific research work, the government of the Republic, in the period of the new long-range plan, will increase the proportion of state investments in this field year after by allocating 3 to 4 percent of the national income.

In the period of the new long-range plan, we will focus efforts on building modern scientific research bases and many new pilot plants for industrial testing, on decisively increasing the production of experimental equipment and appliances, and on modernizing them.

Along with the strengthening of scientific research work, it is important to introduce achievements in scientific and technological research into production in a timely manner. We will establish an orderly work system to introduce successes in scientific and technological research work into production and enhance cooperation between scientific research institutes and economic guidance organs responsible for production, thereby applying achievements in scientific research work to production in a timely manner.

We must actively conduct scientific and technological exchanges with the socialist countries and other countries to rapidly develop the science and technology of the country. During the period of the new long-range plan, we must exchange many students, researchers, and trainees with other countries; widely exchange achievements in scientific research and scientific inventions with them; and strengthen scientific and technological exchanges with them through joint research and various other forms and methods. Scientists and technicians hold incomparably heavy responsibility for carrying out the new long-range plan and for developing the science and technology of the country, and our people and party expect much from them. Scientists and technicians must positively devote their efforts to resolving more than one scientific and technological problem by strongly arming themselves with the chuche idea of our party and by studying hard, thereby endlessly improving their talent and acutely perceiving the trend of the scientific and technological development of the world. In addition, they must vigorously carry out the movement for technological innovations among the working masses; make the masses highly display their creative talent and power in carrying the technological task of technological revolution; and positively accept the inventions, creations, rationalization designs, and innovative proposals of the workers to successfully resolve important scientific and technological problems emerging in carrying out the 3d 7-Year Plan. [applause]

Fifth, on vigorously carrying out capital construction:

We must score new innovations in capital construction to successfully carry out the 3d 7-Year Plan.

The great leader Comrade Kim Il-song has taught: Capital construction designed to increase production capacities must be well carried out to successfully attain the 10 major long-range goals of socialist economic construction.

The goals of the long-range plan that we must attain are high goals that can be attained only when we massively increase production capacities, and are economic tasks for which large-scale capital construction is necessary. The government of the Republic plans to, during the period of the new long-range plan, invest in state capital construction 1.6 times more than it did during

the 2d 7-Year Plan in an effort to maximize production, to carry out cultural construction, and to carry out grand nature-remaking projects. During the period of the new long-range plan, more than 80 percent of state investment in capital construction will be appropriated for productive construction, including construction in the key industries and other industries, construction in the agricultural sector, and construction in the transportation sector. In productive construction, priority shall be given to the construction of major projects, including the construction of the grand nature-remaking projects designed to reclaim 300,000 chongbo of tideland; the construction of projects that are of decisive significance in realizing the 10 major long-range goals of socialist economic construction and in more satisfactorily resolving the problems of food, clothing, and housing for the people; the construction of the Sunchon Vinalon Complex; and the construction of the Sariwon Potassium Fertilizer Complex. Important productive construction designed to realize the overall technological reforms in the people's economy, the construction of Pyongyang, and the construction of dwelling houses must also be vigorously carried out.

In all local areas, during the period of the new long-range plan, construction for the economic and cultural development in local areas must be actively carried out by widely mobilizing construction materials produced in local areas.

Concentratively carrying out construction is the consistent policy of our party and the government of the Republic. By correctly establishing a priority order among capital construction projects in strict accordance with the party's policy on construction and by concentrating efforts on the construction of major projects, we must carry out one construction project after other in the manner of an annihilation operation.

To successfully guarantee grand-scale capital construction projects and to speed up their construction, construction must be further industrialized and new construction materials and advanced construction methods must be widely adopted. By adopting construction equipment that is suitable for the circumstances in our country, we must realize the comprehensive mechanization of construction work, increase the production rate of prefabricated materials, produce large-size prefabricated materials, standardize prefabricated materials, and further increase the rate of using completed prefabricated materials in industrial construction and in the construction of dwelling houses. In industrial construction, we must widely use steel concrete pillars, large-size roof slabs, and large-size standardized wall slabs. To improve the quality of construction, we must positively introduce new heat-insulation materials, waterproof materials, and roofing materials. We must also improve the quality of steel products used for construction, thereby decreasing their consumption rate by 20-30 percent, and must also utilize much idle materials.

In successfully guaranteeing large-scale modern construction, it is important to further improve designing work. By designing construction projects in a chuche-oriented manner and by thoroughly materializing our party's creative

idea on the beauty of construction and its construction policy, we must design all construction projects in a modern, useful, and substantial manner in accordance with the reality of our country and the sentiment of our people, and must decisively improve the quality of designing by avoiding overdressing and waste.

By widely adopting the latest modern scientific and technological achievements, without fail, we must design new plants--which will be built in the future--in such a way that they are operated by automatized, robotized, and computerized modern work processes and by modern work processes into which remote-control systems are introduced, thereby guaranteeing the high scientific and technological standard of designing.

To substantially carry out capital construction and grand nature-remaking projects, the entire country, all the people, and the entire military must vigorously conduct the movement to assist construction projects. Our party took the epochal measure of sending People's Army soldiers, who are engaged in defending the fatherland on fronts and at guardposts, to major construction projects even under circumstances in which the situation is tense in the country. A powerful instance of labor assistance for the country's socialist economic construction, this is an important measure that clearly reflects our people's desire and will to devote efforts to peaceful construction, not war, and to build a prosperous socialist fatherland. During the period of the new long-range plan, we must score new great upsurges in the capital construction front by vigorously accelerating major construction projects and other construction projects with the participation of the entire country, all the people, and the entire military. [applause]

Sixth, on further developing trade and external economic affairs:

Further developing trade and external economic affairs is an important guarantee to further accelerate production and construction and to successfully carry out the new long-range plan.

The great leader Comrade Kim Il-song has taught: Rapidly developing foreign trade is one of the important questions in economic development in our country. By thoroughly materializing our party's chuche-oriented foreign policy during the period of the new long-range plan, we must further widen the scope of foreign trade and expand the relations of economic cooperation with various countries of the world, thereby developing trade and external economic affairs on a new high level in accordance with the demand of the developing reality. By developing trade with other countries based upon our own strong economic foundation during the period of the new long-range plan, we must increase the trade volume of state foreign trade 3.2 times.

To expand and develop trade, it is imperative for all domains of the national economy to decisively increase the export of manufactured goods, including, plant machineries. They should drastically increase the export of various kinds of plant machineries, including new types of modern machine tools, heavy-duty freight cars, ships, electric machines, farming machines, and electronic

daily necessities, which have markets abroad, in addition to the kinds of machine tools that already have markets, by concentrating efforts on exporting plant machineries during the new long-range plan period.

During the new long-range plan period, the export of ferrous metal should be increased by more than 5 times and that of magnesia clinker by about 2 times. Also, the export of various other industrial goods, including cement, should be epochally increased during this period.

Other sectors such as the light industry of the national economy should increase exports on a great scale.

We should also export a large quantity of such items as processed cloth products, footwear, china, glassworks, enameled ironware, and plastic consumer goods, while further increasing the export of vegetables, fruits, and fish products and their processed goods.

It is very significant in developing the local economy to actively promote local and border trade under the guidance and control of the state, while expanding the state-run trade on a large scale. We should smoothly guarantee the flow of foreign currency necessary to develop the local economy and to run the local economy on its own in a more superior manner by drastically increasing various local products such as fishery goods, including processed ones, light industrial goods, farm products, and herbs of various kinds.

Efforts should also be made during the new long-range plan period to broadly develop economic collaboration and joint ventures with other foreign countries.

Close mutual cooperation among countries in the form of economic collaboration and joint venture is important in developing relations of friendship and cooperation among countries, in addition to its being helpful for each country to accelerate its own economic construction.

During the new long-range plan period we should broadly develop economic collaboration and joint ventures with other foreign countries in various industrial fields, including the machine, electronic, and automation industries, and in the fields of developing and reasonably utilizing the rich natural resources of our country.

To expand trade, it is imperative to build bases of producing export goods on a large scale and develop the transportation of these goods. In order to organize the bases of producing export goods in a way that envisages the future, we should rapidly increase the production of various export goods and decisively raise their quality by drastically increasing investment in basic construction for this sector and by broadly organizing plants and shops specializing in the production of export goods.

At the same time, we should further develop maritime transportation, railroad transportation, and air transportation for the sake of export goods.



In order to expand and develop trade, it is imperative to thoroughly implement our party's policy designed to diversify it.

As far as our country's foreign trade and economic cooperation with other countries are concerned, the socialist countries account for the largest and the most important share.

We will continue to attach importance to the socialist market in foreign trade and external economic affairs. During the new long-range plan period, we should further develop relations of friendship and cooperation with the fraternal socialist countries by further actively and broadly conducting trade, economic collaboration, joint ventures, and technological cooperation with them.

Also, we should further actively develop external economic relations with the nonaligned and developing countries. Developing South-South cooperation is one of the most important venues of the external economic affairs of our party and the Republic's government. During the new long-range plan period we should concentrate positive efforts on carrying out South-South cooperation of various kinds, including joint ventures, by broadly conducting trade with the nonaligned countries and other developing countries on the principle of filling each other's needs under the banner of collective self-reliance and by helping these countries solve their food problems and other various problems, as such self-reliant economic construction in such various fields as the rural economy, in a way that serves the socialist economic construction of our country.

At the same time, we should develop economic relations with the world's capitalist countries which respect the sovereignty of our country and are friendly toward it.

In developing trade and economic cooperation with many foreign countries, it is most important to thoroughly respect the credit-first principle. According to the credit-first principle, in all sectors of the people's economy, we will preferentially produce export goods, strictly keep delivery time, and implement agreements with foreign countries in a timely manner and without fail for economic collaboration and joint venture technological cooperation. By so doing, we will further strengthen and develop the friendly and cooperative relations with foreign countries. [applause]

Seventh, on accelerating socialist cultural construction:

By continuing to accelerate socialist cultural construction during the 3d 7-Year Plan, all work in the educational, cultural, and health areas must be further developed.

The great leader Comrade Kim Il-song has taught: The government of the Republic must vigorously wage the cultural revolution. The main task of the cultural revolution is to realize the intellectualization of the entire society.

Under the wise leadership of our party, a great success has been won in socialist cultural construction. As a result, today, the cultural revolution of our country has reached a very high stage where we struggle with the intellectualization of the entire society as the main task. During the new long-range plan, we must make new great progress in the struggle to accelerate the cultural revolution, create a socialist and communist culture, and achieve the intellectualization of the entire society.

Above all, we must place great emphasis on developing educational work. During the new long-range plan, the educational sector must thoroughly implement the socialist education theses. By so doing, it must make all growing generations more adequately receive the universal 11-year compulsory education and nurture many able technological national cadres who are boundlessly loyal to the party. We must consolidate the existing national cadre training base, establish more universities, and further expand technician and specialist training areas. In particular, according to the demand of the economic development of the country and the development of modern science and technology, more technological colleges must be established and, in the mechanical engineering, electronic engineering, automation engineering, and biological engineering fields, many technological specialists must be nurtured more properly.

To nurture many specialists and technicians, along with the higher educational system with emphasis on study, on-the-job higher educational system, the superiority of which has been already proven in practice, will be further developed. Thus, during the 3d 7-Year Plan, we must make the ranks of technicians and specialists of the country expand to more than 2 million.

If the ranks of technicians and specialists expand to 2 million in our country, this will be another great victory in our people's struggle to realize the intellectualization of the entire society and accelerate the socialist and communist cause.

To develop science and technology rapidly, while nurturing many technological national cadres, emphasis must be also placed on the reeducation of the already nurtured technicians and specialists. According to the party's policy, during the new long-range plan, we must more firmly establish the reeducation system for the existing technicians and specialists. By so doing, we must make their scientific and technological level ceaselessly improve according to the demand of the development of the modern science and technology.

At the same time, during the new long-range plan, the vocational and technological educational system must be further consolidated to nurture many skilled workers, high-grade skilled workers in particular, needed by many sectors of the people's economy.

To upgrade the level of the overall technology of the society, the 11-year compulsory educational system must be applied even more properly. By consolidating political-ideological education and combining general and

technological education at a high level, we must ceaselessly upgrade the level of the quality of the overall 11-year educational system and more properly nurture our new generations as fully developed socialist and communist constructors.

To upgrade the level of educational quality, its material and technological foundation must be further consolidated. During the new long-range plan, we must build many school buildings, test and practice facilities, sports facilities, and other educational facilities for universities and all other schools. By so doing, we must provide even more excellent and complete educational conditions.

During the new long-range plan, we must further blossom and develop the literature and art of our country. In the field of literature and art, we must thoroughly implement our party's chuche-oriented idea and unique policy on literature and art and thus create many literary and art works of high ideologic and artistic value, which will educate the working people in a revolutionary manner and encourage them to the rewarding struggle and labor to win the complete victory of socialism.

At the same time, we must thoroughly implement the party's policy to popularize literary and art activities. By so doing, we must broadly develop mass literature and art at plants, enterprises, rural villages, and fishing villages, and make working people fully display their artistic talents and creative zeal.

To further blossom and develop literature and art, the literary and art creation bases must be even more properly organized and many various cultural facilities must be built in order to properly satisfy the working people's growing cultural demand. In particular, cultural facilities must be even more properly organized in industrial districts and rural areas. By so doing, all our working people must be made to benefit from literature and art, moving forward under the guidance of the party, and to be filled with creative zeal and revolutionary optimism.

As the people's standard of living improves, during the new long-range plan, physical culture and sports must be further popularized and made to become a part of the people's life; the material foundations of our country's athletes must be consolidated; and the sports level of the country must be drastically upgraded as a whole.

By developing the popular health work, we must further improve the medical service for the working people. The health sector must thoroughly implement our party's policy of preventive medicine and continue to direct great interest in improving specialized medical service and actively developing traditional oriental medicine. For the promotion of the working people's health and improvement in medical service for them, during the new long-range plan, the number of the preventive medicine groups must be increased by 1.2 times and hospital beds by 1.3 times. In addition, we must make 43 doctors available per 10,000 people and further modernize hospitals, clinics, and

sanatoriums. In addition, we must newly produce high-grade broad spectrum antibiotics as well as various hormones, vitamins, and other highly efficient medicines and replace the medicines that are no longer effective against viruses with new ones, thus improving the quality of medicines and developing the production of oriental and popular medicines. By so doing, we must increase medicine production by 2.3 times. In addition, the production of medical equipment must be increased and, in particular, much electronic medical equipment and modern diagnostical and treatment facilities must be produced and supplied.

### 3. For the successful fulfillment of the 3d 7-Year Plan:

Comrade deputies, under the leadership of our party, we will set another milestone on the road of the magnificent march to consummate the chuche revolutionary cause and will wage the great and rewarding struggle to reach it.

The 3d 7-Year People's Economic Development Plan is the great economic construction program which will realize the great leader Comrade Kim Il-song's far-reaching program to build a rich and powerful socialist fatherland and will further glorify the era of the Workers Party led by our glorious party. [applause]

The 3d 7-Year Plan is the splendid blueprint to further strengthen the might of the DPRK--our people's glorious fatherland and their banner of freedom, independence, prosperity, and development--and to provide an even more independent and creative life for our people. It is the honorable task of struggle to win the complete victory of socialism and accelerate the final victory of socialism.

Even if occupying the high peaks of the 3d 7-Year Plan is a very huge and difficult task, we have all conditions and possibilities to occupy them.

The respected and beloved leader Comrade Kim Il-song--the great ideologist and theoretician and the genius of creation and construction--takes the lead in the revolution and construction and illuminates the path of our revolution with the brilliant rays of the chuche idea, and our glorious party, with outstanding wisdom and tested leadership, leads our people along the single road of victory.

In addition, our heroic people, who devote themselves to the revolutionary struggle and construction by firmly uniting around the party and the leader, have endless strength, and we have the great unit of scientists and technicians nurtured by our party and the economic commanding staff members who possess competent organizational capabilities.

We have the powerful foundation of the self-reliant socialist economy and the great production potential provided through the implementation of our party's chuche-oriented economic construction line, and have rich natural resources and endless scientific and technological resources.

If our party decides and our people turn out in struggle, we can occupy any task. [applause]

The struggle to fulfill the 3d 7-Year People's Economic Development Plan is indeed a boundlessly honorable and rewarding struggle for our people. All working people and all people, by following our party's wise leadership, with lofty revolutionary zeal and strong fighting spirit and with lofty faith in victory, must move forward toward the high peaks of the 3d 7-Year Plan--the new far-reaching program of socialist economic construction. [applause]

First, on continuing to vigorously wage the three revolutions--ideological, technological, and cultural--and thoroughly implementing the mass line:

To successfully fulfill the 3d 7-Year People's Economic Development Plan, we must continue to vigorously wage the three revolutions--ideological, technological, and cultural.

The great leader Comrade Kim Il-song has taught: Following the establishment of the socialist system, the party of the working class, as a main revolutionary task, faces the task of the three revolutions--ideological, technological, and cultural.

The line of the three revolutions is our party's general line to carry out socialist and communist construction, and is a fundamental way to realize the chucheization of the entire society.

To nurture the members of the society as chuche-type communists, eliminate all forms of class differences and differences in working conditions and in material lives, and realize the working people's complete social equality, the three revolutions must be vigorously waged. Only when the position and role of the masses of the people, who are the masters of the revolution and construction, are ceaselessly enhanced by continuing to vigorously wage the three revolutions--ideological, technological, and cultural--can the far-reaching program of the 3d 7-Year Plan be successfully implemented, the complete victory of socialism be won, and the bright future of communism be accelerated.

What is most important in vigorously waging the three revolutions is to give firm priority to waging the ideological revolution, arm all working people with the revolutionary ideology of our party, the chuche idea, and make them be devoted to the struggle to win the victory of the chuche revolutionary cause.

The chuche idea is the great leading ideology of our era which reflects the demand of the era and the aspiration of the people, and is the invincible revolutionary banner of socialist and communist construction. [applause]

Arming oneself with the chuche idea and vigorously advancing under the banner of the chuche idea are precisely a decisive guarantee for brilliantly

attaining the far-reaching goals of the 3d 7-Year Plan by our own effort and guaranteeing the complete victory of socialism. [applause]

To defend the purity of socialism and communism and advance under the revolutionary banner, we must firmly arm ourselves with the chuche idea. It is an immovable truth which has been proven through the practice of the Korean revolution that, only by advancing under the banner of the chuche idea, can we be ever-victorious. This is the revolutionary faith implanted in our people's hearts. [applause]

By ceaselessly deepening the ideological revolution, all functionaries and working people must regard the chuche idea and its embodiment, the line and policy of our party, as their only faith and absolute guideline, thoroughly implement them with the principle of unconditionality, strengthen our people's unity and cohesion in ideology and will as firm as a rock, and persistently struggle along the road shown by the chuche idea for the consummation of the socialist and communist cause.

At the same time, we must thoroughly guard to block the infiltration of capitalist and revisionist ideas into us and unyieldingly struggle against all forms of maneuvers to encroach upon the socialist system.

The ideological revolution must be deepened by linking it with the practice of socialist construction, and the might of our people's unity and cohesion achieved based on the chuche idea must be fully displayed by winning success in the socialist economic construction.

Among the functionaries and working people, we must vigorously conduct the chuche idea indoctrination and the indoctrination of party policy by linking them closely with the revolutionary task. By so doing, we must make them display high revolutionary zeal and creative positivity in the struggle to fulfill the 3d 7-Year Plan with boundless loyalty to the party and the leader.

Highly displaying the revolutionary spirit of self-reliance and arduous struggle with an attitude worthy of masters of the revolution is an important demand arising from the struggle to embody the chuche idea through the practice of socialist economic construction. In the struggle to put the new far-reaching blueprint of socialist economic construction into practice, all functionaries and working people must even more fully display the revolutionary spirit of self-reliance and unyielding fighting spirit. By so doing, they must effect a new great upsurge on all fronts of the socialist construction. [applause]

To successfully fulfill the 3d 7-Year Plan and win the complete victory of socialism, while giving firm priority to the ideological revolution, we must vigorously wage the technological and cultural revolutions. We must brilliantly attain the high goals of the technological revolution and the tasks of socialist cultural construction set in the new long-range plan, equip all sectors of the people's economy with highly modernized technology,

and further develop the national culture. By so doing, we must effect a new turn in our people's material and cultural life.

To further deepen and develop the three revolutions--ideological, technological, and cultural--we must vigorously wage the movement of the three revolutions teams and the movement to win the red flag of the three revolutions. The brilliant success being won in the ideological, technological, and cultural fields through the movement of the three revolutions teams and the movement to win the red flag of the three revolutions waged under the leadership of our party fully show the great vitality of these movements displayed in carrying out the three revolutions.

By vigorously waging the movement of the three revolutions teams and the movement to win the red flag of the three revolutions, we must make the flames of the three revolutions more furiously spread on all fronts of the socialist construction and effect new innovations and turns in the ideological, technological, and cultural fields. [applause]

Socialist economic construction is the struggle to satisfy the independent demand of the masses of the people in the area of material living. Thus, it can be successfully carried out only through the creative role of the masses of the people of broad strata. The masters of socialist economic construction are the workers, peasants, and all other working people, and their creative strength and wisdom are endless. If the revolutionary zeal of the masses of the working people and their creative wisdom are fully mobilized through the implementation of the revolutionary mass line, we can accomplish any task, and thoroughly implement the party's policy.

Accomplishing the given revolutionary task by depending on the might of the masses of the people and by actively mobilizing their revolutionary zeal and creativity is our party's traditional and revolutionary working style. Throughout the entire period of leading the revolution and construction, our party has overcome mounting difficulties and trials and has been always victorious in the struggle by believing in the might of the people, depending on the masses of the people, and uniting with them firmly.

Our functionaries must thoroughly implement our party's revolutionary mass line. In doing so, they must always give priority to political work among the people and actively mobilize their self-conscious zeal and creativity, thus successfully solving the difficult problems of the new long-range plan and effecting ceaseless upsurges in production and construction. [applause]

Second, on properly conducting the socialist economic management:

To successfully attain the far-reaching goals of the new long-range plan, economic guidance and industrial management must be decisively improved.

The great leader Comrade Kim Il-song has taught: The socialist economy develops ceaselessly, and the new reality in economic development demands that economic guidance and industrial management be accordingly improved.

What is important in the management and operation of the socialist economy is to thoroughly implement our party's principle of socialist economic guidance.

Above all, in economic guidance and industrial management, political work, administrative and economic work, collective guidance, and uniform command must be adequately combined with one another. Adequately combining political work, administrative and economic organizational work, collective guidance, and uniform command with one another is our party's fundamental principle of socialist economic guidance and management.

The course to occupy the ideological and material fortress of communism is a very complicated and difficult one. Thus, it can be successfully covered only by adequately combining political work, the objective of which is to remake the people's thoughts and mobilize their creativity, with the specific and meticulous administrative and economic organizational work. In economic management and operation, if emphasis is placed only on economic and technological work and only on material incentive, while ignoring political work, this will promote departmentalism and individualism among the functionaries of the economic organizations and enterprises and among the working people, will make it impossible to display the superiority of the socialist economic system, and will bring about grave consequences for economic construction.

In addition, in socialist economic guidance and management, collective guidance and uniform command must be adequately combined. Only then, can the economic guidance functionaries guarantee uniformity in rendering guidance over production and properly accomplish their given economic task by overcoming departmentalism and actively mobilizing the wisdom of the masses.

In socialist economic guidance and management, we must firmly maintain and thoroughly implement the principle of combining political work, administrative and economic organizational work, collective guidance, and uniform command adequately. By so doing, we must correctly solve the problem of socialist economic management and continue to develop the economy at a rapid pace.

To improve economic guidance and industrial management, our party's unique chuche-oriented socialist economic management system must be firmly defended and thoroughly applied. By so doing, its vitality must be fully displayed in socialist construction.

The Tae'an work system established by our party is the most superior socialist economic guidance and management system which makes it possible to adequately combine political work, administrative and economic organizational work, collective guidance, and uniform command in rendering guidance and conducting management over the plants and enterprises, and to correctly embody the principle of the mass line and scientific principles.

By excellently managing the modern socialist economy according to the demand of the inherent nature of the socialist system and the demand of the socialist economic principle, the Tae'an work system has firmly guaranteed the ceaseless



rapid development of the people's economy of our country, thus fully displaying its correctness and great vitality.

According to the demand of the Taaan work system, the plants and enterprises of all sectors of the people's economy must give priority to political work under the collective guidance of the party committee in order to fully mobilize the creative might and wisdom of the production workers, uniformly and intensively guide production through meticulous economic organizational work, and carry out management activities in a scientific and rational manner. By so doing, they must successfully accomplish the economic tasks of the new long-range plan.

To improve economic guidance and industrial management, the complexes must be properly managed and operated, and their role and responsibility must be further enhanced.

According to the new demand of the developing reality in which the size of the economy has grown and production relations between sectors have become diverse, our party has taken an important step to establish more complexes and further improve socialist economic management.

In our country today, the complex is a basic form of the industrial system of many sectors of the people's economy, including the key industries, and is a basic unit of the planned management and operation of the state. By deepening collectivism in industrial management, responsibly organizing production based on the unitary plan of the state, pooling the strength of all their enterprises, closely cooperating with other complexes, and creatively carrying out management activities according to the demand of the Taaan work system, the complexes are displaying great vitality.

The committees and ministries of the State Administration Council and the economic guidance organizations must responsibly guide the complexes so that they will properly conduct their work according to the demand of the Taaan work system. They must intensify their guidance over the production of the complexes. By so doing, they must even more fully display the vitality of the complexes.

Under the planned uniform guidance of the state, the complexes must correctly set their goals, responsibly organize economic organizational work such as cooperative production and material supply, systematically link their interests with those of their subordinate plants and enterprises, and correctly apply the independent financial operation system. By so doing, they must carry out all management activities creatively and effectively.

For proper socialist economic management and operation, economic guidance and industrial management must be made scientific and rational. Based on correct plans, calculations, and statistics, all sectors of the people's economy must carry out their management activities in a scientific manner and rationally utilize all economic means according to the transitional nature of the

socialist society. By so doing, they must ceaselessly improve economic guidance and industrial management.

Third, on mobilizing and utilizing hidden potential to the maximum extent and intensifying the production and conservation campaign:

To successfully accomplish the huge long-range tasks of the 3d 7-Year Plan, all sectors and units of socialist construction must mobilize hidden potential to the maximum extent and intensify the production and conservation campaign.

The great leader Comrade Kim Il-song has taught: All sectors and units of the people's economy must oppose the phenomenon of prodigality and intensify the conservation campaign. By so doing, they must increase production with available materials, facilities, and manpower, and manage the economy of the country even more properly.

Mobilizing and utilizing hidden potential to the maximum extent, vigorously carrying out the production campaign, and intensifying the conservation campaign are the natural-law governed demand of socialist economic development, and an important guarantee for successfully attaining the new long-range goals.

Today, the economic foundation of our country is powerful, and its production potential is great. If hidden potential for production is fully mobilized and the existing economic foundation is utilized fully and effectively, we can develop the people's economy even more rapidly and drastically improve the people's standard of living.

By upholding our party's militant appeal, through the mass movement, we must fully mobilize hidden potential in all sectors and at all units of the people's economy and more furiously raise the flames of the production and conservation campaign. By so doing, we must mobilize all resources of the country for socialist construction.

Today, what is required by all fronts and guardposts of socialist construction is manpower and, thus, only by solving the manpower problem properly, can the successful fulfillment of the new long-range plan be guaranteed. Today, we have surplus manpower everywhere. Thus, if we overcome the phenomenon of the wasteful use of manpower, mobilize available manpower resources to the maximum extent, and distribute them properly, we can easily solve the manpower problem for the fulfillment of the new long-range plan.

During the 3d 7-Year Plan, we must enhance labor productivity by 1.6 times in industry and by 1.5 times in the key industries, and must guarantee more than 80 percent of the growth in the gross industrial product by enhancing labor productivity.

All sectors of the people's economy must even more meticulously plan labor administration work. They must guarantee the equilibrium between direct and indirect labor, meticulously plan labor organizational work, correctly conduct

labor evaluation work, and thoroughly implement the principle of socialist distribution. By so doing, they must achieve high growth in labor productivity.

It is important that all sectors of the people's economy fully utilize the available facilities and economize materials and funds to the maximum extent. As the technology and equipment of the production processes of the plants and enterprises of all sectors are ceaselessly modernized, equipment and facilities must be put into full operation and, thus, production capacities be completely mobilized by properly conducting technological management over facilities and properly providing working conditions.

At the same time, all sectors and units must wage the mass campaign to economize power, coal, and all other fuel and energy resources to the maximum extent.

All state economic organs and plants and enterprises must enhance the facility utilization rate; economize materials, resources, and manpower to the maximum extent; utilize them in a rational manner; and reduce nonproductive expenditures. By so doing, they must annually reduce cost by an average of 3.4 percent in industry and by 4.6 percent in capital construction.

In the development of production and in the conservation campaign, it is most important to decisively improve the quality of products. During the new long-range plan, we must vigorously struggle to improve the quality of products. By so doing, we must effect a new great turn in this area.

All sectors and units must further perfect production processes, strictly observe the requirements of technological processes and the standard operating method in production, properly standardize products, and do their best in producing goods.

By fully mobilizing the potential of the people's economy, intensifying the struggle to overcome the phenomenon of prodigality, and vigorously carrying out the conservation struggle during the new long-range plan, we must make our precious economic asset be most effectively utilized for the people's economic development and the improvement of the people's standard of living and grow into an even greater material wealth of the country.

The huge tasks of the 3d 7-Year Plan facing us require of the economic guidance functionaries bold operations, competent economic organizational work, and command over production. All guidance functionaries must always remember our party's deep trust and the people's expectation. They must display the lofty spirit of responsibility, and work in a realistic manner to fulfill their mission and duty as the members of the commanding staff of the revolution.

By upholding the party's militant slogan "Let us vigorously accelerate the march of the eighties in the same way as the Sohae lockgate was built," all our guidance functionaries must highly display the revolutionary spirit of

Mt Paektu--the unyielding fighting spirit of crossing the burning river and wading through the swamp. They must plan all work boldly, comprehensively, and scientifically and command it competently. By so doing, they must ensure the successful fulfillment of the new long-range plan.

The domestic and foreign situation of our revolution is still complicated, and we still face many difficult and arduous tasks of struggle on the road of the revolution. By smashing the reckless war maneuvers of the U.S. imperialists and the Chon Tu-hwan puppet clique at every step, we must vigorously advance socialist construction. We must not harbor any self-conceit over the present success but always maintain a mobilized posture and continue the tense struggle.

The struggle to fulfill the 3d 7-Year Plan, which will make great progress in achieving the glorious chuche revolutionary cause, is an endlessly rewarding struggle for our people.

When the 3d 7-Year People's Economic Development Plan is fulfilled, we will have a firm material and technological foundation suitable to the socialist society which has won complete victory, and our country will become an even more developed socialist power.

In the per capita production of major industrial goods, we will catch up to the level of the advanced countries of the world or will surpass it. Thus, the political, economic, and military might of our country will be strengthened beyond comparison, and its science and culture will blossom and develop even more fully.

The urban and rural areas will be built in an even more modern and beautiful way. As a result, their appearances will drastically change, and our people will enjoy an even more affluent and civilized life in all aspects.

When our people have reached this great milestone in socialist construction, this will endlessly encourage the people in the southern half of our country, who struggle unyieldingly to achieve the democratization of society and the cause of the fatherland's reunification, and all overseas compatriots, and will create a new decisive phase in the struggle to accelerate the independent and peaceful reunification of the fatherland and the final victory of the revolution. [applause]

When our country has achieved great prosperity and made great progress again on the road of socialism through the fulfillment of the 3d 7-Year Plan, this will give new confidence and courage to the peoples of many countries of the world who advance along the anti-imperialist road of independence and the road of the construction of a new society. [applause]

The future of the far-reaching goals of the 3d 7-Year Plan unfolded by our party and the future of our struggle are endlessly bright, and this vigorously encourages our people to new shining heroic feats.

Under the wise leadership of the great leader Comrade Kim Il-song, our people, by vigorously dashing forward under the banner of the glorious WPK, will brilliantly attain the high goals of the 3d 7-Year Plan and will win a new great victory in the revolution and construction. [applause]

By firmly uniting around the WPK Central Committee and the government of the Republic headed by the respected and beloved Comrade Kim Il-song and by upholding the revolutionary banner of the chuche idea, let us all vigorously struggle to win the complete victory of socialism and accelerate the bright future of communism. [applause]

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N. KOREA/ECONOMY

HONG SONG-NAM SPEECH AT 21 APR SPA SESSION

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[Speech by Hong Song-nam, SPA deputy, member of the Political Bureau of the WPK Central Committee, and vice premier of the State Administration Council, at Second Session of the Eighth SPA of the DPRK held in Mansudae Assembly Hall on 21 April--read by announcer with portions recorded]

[Text] [Begin Hong recording] Comrade deputies, in his historic policy speech delivered during the First Session of the Eighth SPA in December of last year, the great leader Comrade Kim Il-song, giving perfect scientific and theoretic explanation for ideology, strategy, and tactics for the victory of socialism and all theoretical and practical problems that arise over the course of socialist and communist construction, unfolded a grand program designed to realize them.

Recognizing that the 3d 7-Year Plan placed on the table for reviewing during this session correctly embodies the unique strategic ideology and scientific plans of the great leader, who has unfolded a brilliant prospect for the complete victory of socialism on a most straight forward path, and reflects the realistic demands of our country's economic development and the revolutionary demands of all the people in our country, I fully support and agree with and support it. [applause]

As noted in the report, even during the past difficult circumstances under which the situation both at home and abroad were still complicated and tense and, therefore, the state had to shoulder a great additional burden, our party, the Republic's government, and our people have achieved great victory in implementing the 2d 7-Year Plan. [end recording]

He went on to note in detail that during the 2d 7-Year Plan, total industrial output increased 120 percent, the annual growth rate for industrial production reached an average 12.2 percent, major peaks for electricity and coal have been occupied, and every index of tasks has been successfully fulfilled.

He continued: [Begin Hong recording] Comrade deputies, the 3d 7-Year Plan, which we should start to fulfill beginning with this year, is a great blueprint designed to reach a decisive turning point in implementing the goal

of socialist economic construction toward the complete victory of socialism and our party's strategic lines for its implementation.

The great leader Comrade Kim Il-song has taught: The basic task of the 3d 7-Year Plan is to provide a material and technological foundation for the complete victory of socialism by vigorously accelerating the cause of making the national economy chuche-oriented, modernized, and science-oriented without interruption.

Laying the material and technological foundation necessary to achieve the complete victory of socialism means achieving a developed economy equipped with a perfect infrastructure capable of highly modernizing all domains of the national economy and meeting the material demands of society on its own; that is, a well-developed economy capable of liberating the working people from hard labor and smoothly resolving the question of feeding, clothing, and providing shelter for the people on a high stage by further raising the level of technology and the equipment of national economy by adhering to the cause of making the national economy chuche-oriented, modernized, and science-oriented.

The goals and tasks of the 3d 7-Year Plan unfurled by our party are designed so as to achieve decisive advances in the complete victory of socialism and epochally improve the standard of the people's living by hastening the achievement of such demands as much as possible and wherein lie the noble ideas and intent of the great leader and the true intent of our party, which runs through the new long-range plan from start to finish. [applause]

For this very reason, the new long-range plan has, first of all, grand targets according to the demands of the new high stage of our developing revolution, which can be called a revolutionary plan, as it is expected to develop the national economy at a high rate of speed by fully displaying the inherent demands of socialism and its superiority.

The chuche-oriented leadership method over the revolution and construction consistently stressed by the great leader Comrade Kim Il-song, which our party implements without a hitch under any circumstances, always presents high strategic goals that reflect the long-standing demands of the developing reality and the aspirations of the people and fulfill such goals within the shortest period of time by concentrating all strength on their implementation.

Since the goals we are supposed to fulfill have been set based on a rapid growth of production, industrial production will increase 90 percent as a result of an annual growth rate of 10 percent and the agricultural production is expected to increase more than 40 percent over the new long-range plan period.

At the same time, during the 3d 7-Year Plan period, we will push ahead with even such basic construction work as the construction of major projects at a high rate of speed on a vast scale to lay a firm material and technological foundation for the complete victory of socialism.

During the new long-range plan period, the accumulation will increase 80 percent and a lion's share of the accumulation will be set aside for basic construction. As a result, the size of investment in basic construction will be further raised and the speed of construction will also be high.

With production and construction developing at a very high rate of speed and the work of reforming the technology of the national economy pushed to a new high stage, labor productivity will increase 60 percent in industry and 50 percent in basic construction during the new long-range plan.

Successful implementation of the new long-range plan is firmly guaranteed, as it clearly embodies our party's idea about continued revolution, endlessly advancing along the scientific course of socialist and communist construction without stagnation and rushing toward a new high mountain top; our people's revolutionary spirit to take 10, nay 100, steps forward when others take only 1 and stay ahead of the others; and our party's policy designed to accelerate the all-out march of the eighties in the spirit of adding speed to Chollima, and as it is based on scientific calculation. [applause]

The 3d 7-Year Plan is also a full-scale technology renovation plan designed to vigorously accelerate the national economy's technological renovation by highly developing science and technology and by strengthening the technological renovation movement.

As noted in the report, during the 3d 7-Year Plan, replacing old and backward facilities with modern facilities in all domains of the national economy based on new science and technology and mechanizing, automating, robotizing, and computerizing production processes will be very broadly and intensely carried out on a previously unknown scope.

During the new long-range plan period, it is expected that strength will be primarily concentrated on the work of renovating technology designed to increase the productivity by 50 to 100 percent in the ferrous metal industry, the non-ferrous metal industry, the chemical industry, and the construction material industry, and other fields, while at the same time strength will also be concentrated on technological renovation, the goal of which is to replace all existing facilities and production processes in all domains of the national economy with modern ones facilities and production processes. It is also expected that during this period the technological renovation designed to complete general mechanization will be broadly pushed ahead in the mining industry, the rural economy, and construction and transportation, while the work of automating, robotizing, and computerizing the production processes in various domains of the national economy, such as electric power and energy will also be broadly put into practice. Also during this period, we will further expand and quantitatively consolidate the machine industrial bases by further concentrating greater effort on developing the machine industry, the sector that forms the backbone of accelerating the technological reform of the national economy, and increase the production of the machine industry during the 3d 7-Year Plan period 150 percent.



By annually investing 3 to 4 percent of the gross national income in the work of scientific and technological research designed to accelerate the technological renovation of the national economy during the 3d 7-Year Plan period and by annually increasing the rate of investment, the Republic's government will actively introduce modern scientific and technological successes achieved by mankind according to the reality that prevails into our country so as to brilliantly achieve the sacred task of realizing high growth in production, decisively raising the quality of the goods, and liberating the working people from hard labor.

The 3d 7-Year Plan is also a people-minded plan that reflects the noble ideas and strong will of the great leader, who sets all policies and lines based mainly on the interests of the people and who is determined to completely resolve the problem of feeding, clothing, and providing shelter for our people.

During the 3d 7-Year Plan period, the problem of feeding, clothing, and providing shelter for the people will be smoothly resolved as a result of rapid development in the rural economy, the fishery industry, and light industry and as a result of the construction of dwellings on a large scale, while the real income of workers and office workers will increase 60 percent and that of peasants 70 percent.

According to the plan of the great leader to enact communism primarily concerning the food problem, investment will be concentrated on the rural economy and the fishery industry, which includes tideland reclamation, so as to make agriculture highly industrialized and realize the cause of modernizing and making the fishery industry science-oriented. As a result, grain, meat, eggs, and fishery products will epochally increase and by 1993 an average of 175 grams of meat, an egg, and more than 400 grams of fish will be provided per capita each day.

To smoothly resolve the problem of clothing the people during the new long-range plan period, more investment will be set aside for the chemical fiber industry, textiles, and the cloth garment processing industry. By decisively increasing production of processed foodstuffs and daily consumer goods by vigorously launching the heavy industrial revolution, the diverse demands for consumer goods will be smoothly met at a high technological level.

Also, with a large share of investment for basic construction set aside for the construction of dwellings according to the noble will and long-range plans of our party for the people, more than 150,000 to 200,000 modern dwellings, averaging 3 to 4 rooms, will be built every year during the new long-range plan period. When this happens the entire population will find the aspiration to enjoy culture-oriented lives in a modern dwelling a reality, not a dream.

Smoothly resolving the problem of feeding, clothing, and providing shelter for the people--another world-renowned change in our people's lives--is something that can be provided only by the devoted service and deep love of the respected and beloved leader, who thinks of everything with man as its center,

embodies the great ideology of serving the people in the lines and policies, and sacrifices himself to allow the people to enjoy a more cultured and affluent life. [applause]

Indeed, the new long-range plan which assumes as its basic task to fulfill the 10-major long-range goals and solve the problem of feeding, clothing, and providing shelter for the people more smoothly by continuously pushing ahead with the cause of making the national economy chuche-oriented, modernized, and science-oriented, is a brilliant blueprint designed to further strengthen the might of chuche Korea and provide our people with more independent and creative lives by brilliantly realizing the great leader's long-range plans, as well as a great program designed to make the era of the workers' party led by our party shine brighter and decisively hasten the complete victory of socialism. [applause]

We have to implement this great blueprint amid a complicated environment in which we are engaged in a tense struggle against the endless moves of the U.S. imperialists, the archvillain who leads the world reactionaries, to provoke a new war.

However, we have at our disposal the strength and (?unlimited) potential to turn this great blueprint into reality.

Standing at the head of our party, the Republic's government, and people are the great leader Comrade Kim Il-song, who leads the socialist and communist cause on a straight road to victory with his indomitable revolutionary ideology and ever-victorious leadership; the wise leadership of a great party which embodies extraordinary organizational ability, tenacious operational ability, and iron will; and the inexhaustible creative power of a great people who have traversed the arduous path of struggle under the leadership of the party and leader. [applause]

In the very fact that a great leader, a great party, and a great people exist and that the party and people are firmly united around the party and leader in one ideology and will lie the sources of all of our victories and basic conditions which enable our people to destroy any obstacles that block our advance and ably occupy the high mountaintop of the new long-range plan.

We have at our disposal modern plant facility producing bases and construction material production bases capable of conducting very large-scale construction projects, including major construction projects, in the intensive manner of a fierce battle, thus shortening the operational period. At the same time, we have at our disposal a reliable construction unit, technological forces, and rich experience.

Although the goals of the 3d 7-Year Plan are high and its tasks are vast, our victory is certain as long as we have at our disposal a credible guarantor to realize them in a blitzkrieg manner.

I firmly resolve that I will see to it that the 3d 7-Year Plan is implemented by year without the slightest hitch by responsible carrying out the revolutionary tasks assigned to me, increasing command ability, and supervising organizational work through a high demonstration of revolution-mindedness, party-mindedness, workers' party-mindedness, and people-mindedness, assuming the great leader's teachings and the party's policies as firm guidelines. [applause] [end recording]

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N. KOREA/ECONOMY

SPA DRAFT LAW ON THIRD 7-YEAR PLAN

SK281056 Pyongyang Domestic Service in Korean 0600 GMT 23 Apr 87

[Draft of the DPRK SPA law on the 3d 7-Year Plan read by SPA Deputy Kim Pon-chu at the 23 April 3d-day morning session of the Second Session of the Eighth SPA]

[Text] After brilliantly implementing the 2d 7-Year Plan under the correct leadership of our party and the government of the Republic, our people have made great progress in socialist construction. The 2d 7-Year Plan has been implemented in a victorious manner in our country in the fierce struggle to implement the decision of the Sixth Party Congress and to create the speed of the eighties.

As a result of the vigorous struggle to make the people's economy chuche-oriented, modern, and scientific during the 2d 7-Year Plan period, the structure of sectors of the people's economy has been completed, the level of its technology and equipment has further increased, and the country's foundation for the self-reliant socialist people's economy has been further strengthened. During the 1978-84 period, industrial production annually increased at a high speed of 12.2 percent on the average, and the total industrial output in 1984 increased 2.2 times as compared with 1977.

During the 2d 7-Year Plan period, domestic raw material, fuel, and energy bases expanded, and with the emergence of new industrial sectors, which utilized the domestic resources of our country, our industry further developed in a multilateral manner, and its self-reliant and chuche natures were strengthened.

With the vigorous performance of the task of carrying out the technological revolution in rural areas as envisaged in the thesis on the rural areas and with the correct implementation of the chuche farming method, the proud success of achieving the goal of 10 million tons of grain was attained.

During the 2d 7-Year Plan period, large-scale primary construction work was carried out successfully. Many monumental edifices were built throughout the country.

Great progress was made in socialist cultural construction. As a result, the ranks of technicians and specialist increased to 1.25 million, and the socialist national culture and art blossomed and developed brilliantly.

The people's standard of living was greatly improved as a brilliant result of socialist economic construction and as a result of the implementation of the people-minded policy of the government of the Republic to increase the workers' welfare.

The implementation of the 2d 7-Year Plan was a great victory attained by our people in socialist construction, vigorously demonstrating the invincible might of our people who are firmly united around our party and the government of the Republic. With the successful implementation of the 2d 7-Year Plan, great progress was made in the struggle of our people to achieve the complete victory of socialism, and a brighter prospect opened on the future path of the Republic. In addition to brilliantly completing the 2d 7-Year Plan, over the past few years, our people have partially adjusted the development of the people's economy, further solidified the economic foundation, which had already been laid, and solidly made preparations for successfully achieving the high goal of the new long-range plan.

After reviewing the 3d 7-Year Plan--the 1987-1993 plan--for developing the people's economy, the DPRK, admitting that this plan has been correctly formulated to comply with the strategic line set forth by the Sixth WPK Congress to realize socialist economic construction, approves it.

#### 1. The basic task of the 3d 7-Year Plan:

The basic task of the 3d 7-Year Plan is to firmly lay the material and technological foundation for achieving the complete victory of socialism by continuously and vigorously accelerating the work of making the people's economy chuche-oriented, modern, and scientific. Vigorously accelerating the work of making the people's economy chuche-oriented, modern, and scientific is a decisive guarantee for achieving the strategic goal of economic construction designed to attain the complete victory of socialism.

By continuously and vigorously accelerating the work of making the people's economy chuche-oriented, modern, and scientific, we should build during the 3d 7-Year Plan period a chuche-type economy, the sectors' structure of which is complete to meet the requirement of building a self-reliant people's economy and with which all sectors of the people's economy are highly modernized.

What is important in implementing the 3d 7-Year Plan is to accelerate the technological reform of the people's economy by rapidly developing science and technology, to achieve the 10-point long-range goal for socialist economic construction by decisively increasing productivity, and to improve the people's standard of living a step further by much more smoothly resolving questions concerning clothing, food, and shelter for the people.

During the 3d 7-Year Plan period, we will increase industrial production by 1.9 times as a whole. Of this, we will increase the production of production means by 1.9 times and the production of consumer goods by 1.8 times. During this period, we will increase agricultural production by more than 1.4 times. Thus, during the new long-range plan period, we will increase the total social production output by 1.8 times and the people's incomes by 1.7 times.

All sectors of the people's economy should make an all-out march to successfully implement the 3d 7-Year Plan for developing the people's economy--the great program for economic construction designed to achieve the complete victory of socialism.

## 2. On rapidly developing primary industry and transportation:

Rapidly developing primary industry is an important task that is preferential in firmly solidifying the material and technological foundations for achieving the complete victory of socialism. During the 3d 7-Year Plan period, we should further expand the primary industrial sector and should equip it with modern technology. Thus, we should decisively increase the productivity of this sector. We should above all firmly solidify an energy base that utilizes domestic resources, by greatly concentrating on developing the power industry.

During the 3d 7-Year Plan period, we will increase the production of electricity to 1 billion kilowatt-hours by combining the construction of thermal power stations and the construction of power stations that utilize various other energy resources with the construction of hydraulic power stations as the basis.

During the new long-range plan period, we will develop the capability to hydraulically generate more than 4 million kilowatts of electricity by rapidly completing the Taechon power station, which is now under construction; by building large hydraulic power stations, such as the Kungangsan, Sichon, Nangnang, Kumyangang, and Orangchon power stations; by building a greater number of lockgate power stations along large rivers; and by building small- and medium-size hydraulic power stations in various local areas on a full-fledged scale.

In building thermal power stations, we will build thermal power stations that will use low calorie coal, which is abundant in our country, and that supply electricity and heat to major industrial districts and to cities. We will also develop the capability to generate electricity at thermal power stations so that we can use the waste heat of plants and enterprises.

During the new long-range plan period, we will build atomic power stations to resolve the country's energy problem in a prospective manner. At the same time, we will extensively build many wind power stations [pungyok paljonso] in windy coastal areas and highland areas.

We should rapidly increase coal production to smoothly resolve raw material and fuel problems and to accelerate the work of making the people's economy

chuche-oriented. By continuously concentrating on developing the coal industry, we will increase coal production to 110 million tons in 1993.

During the new long-range plan period, we will intensively rebuild and expand collieries in the Anju District, which have rich deposits of coal, and will expand large collieries in various areas, including the Sunchon, Tokchon, Pukchang, Kangdong, and Pukbu districts.

At the same time, we will build new collieries in areas that have good prospects for development and will positively develop collieries that produce low calorie coal and anthracite.

We will decisively increase the levels of technology and equipment at collieries by introducing various excavating, extracting, and transport equipment that suit the situation at collieries in our country and by making extracting equipment large, modern, and speedy.

Developing the metallurgical industry is the important task of accelerating the technological reform of the people's economy and of firmly solidifying the material and technological foundations of socialism. We will produce 10 million tons of steel in 1993 by rebuilding and expanding existing steel mills, including the Kim Chaek steel industrial complex.

During the new long-range plan period, we will chiefly develop the steel industry in accordance with the principle of meeting domestic demands, and will increase the kinds of steel and improve the quality of steel in steel production to meet the requirement of developing industry and technology in our country. In the production of rolled steel, we will increase the production of dressed ore and coal, which are urgently required in various sectors of the people's economy; will increase the relative importance of cold rolling; and will increase the production of stainless steel, carbon steel, high pressure steel pipe, galvanized steel, high-speed plating steel, and chromite.

We should continuously and greatly concentrate on the work of making the ferrous metal industry chuche-oriented. We will increase steel production by further developing metallurgy through the use of fuel produced in our country, and will develop a great number of new types of steel through the use of alloy elements, the resources of which we have.

We should develop the production of iron ore and refractory materials to comply with the work of increasing steel. We will greatly rebuild and expand the Musan District mine industrial complex, will increase the productivity of iron mines in the west region, and will develop new iron deposits, which have good prospects for development.

We will greatly increase magnesia ore and clinker, will build new modern refractory goods production bases, and will produce new types of good quality refractory goods.

We should further increase the production of nonferrous metal to rapidly develop the people's economy and to strengthen the economic might of the country. By continuously concentrating on the production of nonferrous metal, which are abundant in our country, we will increase the production of nonferrous metal to more than 1.7 million tons a year at the end of the 3d 7-Year Plan period. We will continuously and greatly rebuild and expand nonferrous metal mines, including mines in the Komdok, Tanchon, and Yanggang provincial areas, which have good prospects for production, and will develop new, large nonferrous metal mines at various places where there are great quantities of deposits of nonferrous metal.

During the new long-range plan period, we will increase the production of aluminum and aluminum alloy to 400,000 tons throughout the country by building a modern, large light metal production base that will produce alumina and aluminum by comprehensively disposing of light metal resources, the deposit of which is inexhaustible in our country.

We will newly build a titanium and magnesium production base.

We should strengthen geological survey work to positively develop and exploit the country's natural resources, including nonferrous ore. During the new long-range plan period, we will comprehensively survey and grasp underground resource in the country by further making geological survey work modern and scientific, and will locate the deposits of various useful minerals including coal, iron ore, and nonferrous ore.

We should bring about a new change in the machine industrial sector to highly modernize all sectors of the people's economy and accelerate technological reforms. The important task in the machine industrial sector is to comprehensively realize the technological reform of the people's economy, to build modern plants, and to smoothly produce and supply various machine equipment required for remaking great nature by further expanding machine production bases and by accelerating the work of making machine equipment precise, large, and speedy.

We will increase the production of machine goods by 2.5 times during the 1987-93 period by producing a large number of various heavy machines, vehicles, tractors, extracting machines, construction equipment, farming machine tools, and ships, while giving priority to the production of machine tools.

During the new long-range plan period, we will additionally build modern machine processing and assembling bases, including digital computer-controlled lathe production bases, vehicle and diesel engine production bases, hydraulic compressor production bases, and electric appliances production bases. We will bring about a change in the production of tools by increasing the relative importance of die and press forging in the machine industrial sector, by realizing the mechanization of casting and welding work, by using robots in this work, and by using various new hard and ultra-hard materials.



Rapidly developing the electronic and automation industries is one of the central tasks that should be carried out during the 3d 7-Year Plan period. By greatly concentrating on developing the electronic industry, especially the microelectronic industry, and the automation industry, we should decisively increase the production of various electronic and automation elements, including integrated circuits, control devices, and electronic goods.

During the new long-range plan period, we will epochally increase the production of computers and will independently and smoothly meet the demand for computers required for various sectors of the people's economy by producing small and medium computers on a full-fledged scale. While maintaining and reinforcing the existing electronic device and automation elements production bases, we will modernize electronic and automation elements production bases and electronic daily necessities plants, including integrated circuit, computer, control device, and electronic-type automation instruments plants. At the same time, we will further expand bases for the production of metallic and nonmetallic materials, including heat conducting materials and magnetic bodies, and genuine metallic high-intensity reagents, and will increase production.

Based on the rapid development of the electronic and automation industry, we should greatly develop the robot industry. During the new long-range plan period, we will epochally increase the production and kinds of robots by firmly solidifying modern robot production bases and by extensively carrying out a robot-begets-robot movement at existing machine plants.

We should rapidly develop the construction materials industry and forestry to carry out on a full-fledged scale construction work to develop the country's productivity and to increase the people's welfare. We will produce 22 million tons of cement in 1993 by further increasing the capability to produce cement by extensively introducing new baking methods into existing cement plants, by accelerating the current construction of cement plants and calcinators, and by building a large-size cement production base in the Sariwon and Taecheon districts, which will use new raw materials.

We will greatly increase the production of lumber in the forestry sector by developing a larger number of new forests and by realizing the comprehensive mechanization of forestry work. At the same time, we will help use wood in a comprehensive and effective manner by greatly expanding the production of pressboard and by developing the forestry and chemical industries.

During the new long-range plan period, we will further increase the country's forestry resources by planting trees, including Korean Larch, which grow fast and which have great economic value.

Rapidly developing transportation is one of the preferential tasks assigned to all sectors of the people's economy in increasing production and in implementing the new long-range goal. During the new long-range plan period, we will increase the transport of cargo by trains by 1.6 times by accelerating the work of making railway transportation modern and scientific and by further

increasing the railway transportation capacity. We will complete the electrification of railways and the work of introducing heavy rails into the trunk lines, will modernize vehicles, will strengthen technology and equipment at cargo stations and on feeder lines, will develop centralized and containerized transport, and will introduce automation and a computer system into the operation of railways.

During the new long-range plan period, we will smoothly guarantee railway transportation by completing the construction of railways in the northern region and the construction of Ungam line in the west region and by laying new railways and linking lines. At the same time, we will make the important trunk lines, including railways between Pyongyang and Chongjin and between Pyongyang and Sariwon, which have large quantities of cargo transport, doubled-tracked.

We will reduce the burden of railways by developing ship transportation and will epochally increase trade cargo transport through the use of our ships by expanding the capacity of trade ports. In particular, we will greatly increase the amount of cargo transport on the Taedong River to meet the situation in which the sea-lane on the Taedong River has been pioneered deep inland with the construction of several lockgates, including the Sohae lockgate.

During the new long-range plan period, we will increase the amount of vehicle transportation by 2.6 times. We will develop cargo transport in local areas by vehicles and long distance transportation among major cities, and will vigorously carry out the construction of roads to comply with the increase of vehicle transportation.

3. On further smoothly resolving questions concerning clothing, food, and shelter for the people:

Improving the people's standard of living is the important duty of the people's government and is the most important task that should be performed during the 3d 7-Year Plan period. The true superiority of the socialist system should be demonstrated through the continuous improvement of the people's standard of living with the progress of socialist construction as the momentum.

During the 3d 7-Year Plan period, we should much more smoothly resolve questions concerning clothing, food, and shelter for the people by developing the rural economy, the fisheries, and light industry and by building residential houses on a full-fledged scale, and should raise the people's standard of living a step further.

During the new long-range period, we will achieve the goal of 15 million tons of grain by bringing about a new upsurge in agricultural production by continuously concentrating on developing the rural economy. Of this, we will increase the output of rice to more than 7 million tons.

During the 3d 7-Year Plan period, the rural economic sector should lay firm material and technological foundations for industrializing agriculture by thoroughly performing the task of carrying out the technological revolution in the rural areas--the task set forth in the thesis on the rural question in our country--and for turning cooperative ownership into pan-national ownership. Realizing the industrialization of agriculture is the goal that we intend to achieve in carrying out the technological revolution in rural areas. In order to industrialize agriculture, we should completely turn agricultural production into a modern technological process by thoroughly introducing an irrigation system into the rural economy and by thoroughly realizing the electrification, mechanization, and chemicalization of the rural economy.

During the new long-range plan period, we will concentrate on completing the comprehensive mechanization and chemicalization of the rural economy and will expand and develop the already attained results of the work of introducing an irrigation system into rural areas and of electrifying them. We will increase the number of tractors per 100 chongbo of arable land to 10-12 by supplying greater quantities of efficient tractors to rural areas, and will completely mechanize all farm work, such as tilling farmlands, sowing, harvesting, and thrashing, by supplying on a full-fledged scale various modern farming machine tools, including rice transplanting and plucking machines, harvesting equipment, and mobile thrashing machines.

In order to complete the chemicalization of the rural economy, we will increase the amount of chemical fertilizer to be applied per chongbo of farmland to more than 2.5 tons by increasing the supply amount of chemical fertilizer. We will also increase the fertility of soil by producing and, in an industrial manner, amply supplying organic fertilizer together with trace element fertilizer.

By decisively increasing the supply of various pesticides, including herbicides, we will help carry out the farm work that we cannot carry out with machines through the use of chemical agents.

We will establish a much more modern irrigation system by maintaining existing irrigation network systems and by accelerating the technological reform of these systems, and will make the powerful irrigation system in our country become much more effective by amply supplying irrigation water to farmlands by increasing the irrigation capacities.

By further expanding the results of electrification work, we will further broaden the scope of the use of electricity in agricultural production.

In order to rapidly increase agricultural production, we should obtain a larger area of arable land by vigorously carrying out tideland reclamation and the movement to obtain new land. We will reclaim 300,000 chongbo of tideland by 1993 by reclaiming 150,000 chongbo of tideland and by continuously and vigorously waging the struggle to reclaim tideland during the first 3 to 4 years of the new long-range plan period. Thus, we will brilliantly achieve the magnificent goal of reclaiming tideland.

While concentrating on reclaiming areas where tidelands have developed to increase the speed in reclaiming tidelands, we will positively carry out this work by correctly combining it with the reclamation of small- and medium-size tidelands. In order to help quickly carry out farm work in reclaimed tidelands, we will build irrigation facilities, such as waterways; will orderly turn farmlands into large standardized cultivated fields; will rationally arrange villages and roads, as well as electrical, water-supply, and communication facilities in rural areas; and will build farms in a modern manner.

During the new long-range plan period, we will make the method of cultivating crops scientific to suit the weather and climate conditions of our country and the feature of agricultural products by thoroughly adopting the chuche farming method. At the same time, we will further increase the output of agricultural production per chongbo by growing high-yield, superior varieties by carrying out the green revolution and by extensively introducing these varieties into agricultural production.

By developing the livestock and fruit growing industries, we will increase the production of meat to 1.7 million tons a year at the end of the 3d 7-Year Plan period, the production of eggs to 7 billion, and the production of fruit to more than 2 million tons. We will epochally increase the production of livestock products by expanding livestock bases to comply with the increase of grain production while using the existing livestock foundation to the maximum, by raising superior domestic animals, and by extensively adopting advanced raising methods.

We will greatly increase the production of fruit per chongbo by further strengthening the material and technological foundations of the fruit growing industry, by irrigating orchards, and by extensively introducing new fruit cultivation techniques.

Rapidly developing the fisheries is one of the important tasks in improving the people's standard of living. During the 3d 7-Year Plan period, we will increase the production of marine products to 11 million tons in 1993 by making the fisheries much more modern and scientific and by positively exploiting marine resources. Of this, we will produce more than 3 million tons of fish.

During the new long-range plan period, we will continuously increase fish production under circumstances in which oceanic conditions and the situations at fishing ports frequently change by building a large number of various ships, including a 14,000-ton-size large processing mother ship and 3,750-ton-size stern trawlers, and 1,000-ton- and 380-ton-size fishing ships; by making ships all-round performers; by introducing modern fishing gear; and by establishing a scientific fishery system.

During the new long-range plan period, we will epochally increase the production of various seaweed, including kelp, brown seaweed, and green seaweed, and clams by increasing the area of cultivation to 100,000 chongbo

and by greatly developing cultivation along shores. Thus, we will increase the production of these seaweeds and clams to 8 million tons.

We will process fish in a timely manner and further develop the processing of seaweed by establishing a greater number of modern marine product processing bases and storage facilities, including refrigeration facilities, so that we can comply with the increase in marine products.

We should bring about a new change in developing the light industry in order to much more smoothly resolve questions concerning food, clothing, and housing for the people and to epochally improve the people's standard of living.

During the new long-range plan period, we will increase the production of clothing to 1.5 billion meters in 1993 by modernizing existing weaving equipment and by introducing new, modern weaving equipment by concentrating on developing the weaving industry. We will greatly increase the production of various good quality cloth by developing the techniques of processing vinalon--chuche fiber--will greatly increase the relative importance of knitwear in the people's clothing habits by expanding knitting production bases and by increasing the capability to produce knitwear, and will further develop the clothing process industry to comply with the improvement of the people's standard of living.

By developing the shoe industry, we will greatly increase the production of shoes and will diversify the kinds of shoes. At the same time, we will supply great quantities of various types of good looking and durable shoes that suit the taste of workers in accordance with the change of seasons.

By bringing about a new change in the food processing industrial sector, we will produce great quantities of various processed foods to make the people's daily lives much more affluent and to free women from household chores.

During the new long-range plan, the production of daily necessities must be decisively increased. We will drastically increase the production of household goods, school supplies, cultural goods, and other daily necessities, and the production of mechanical and electronic daily necessities, in particular. By so doing, we will properly meet the people's growing demand.

In developing the light industry, it is important to improve packing. During the new long-range plan, we will build new plants which will produce various packing materials and cans with zinc plate, aluminum foil, and vinyl. By so doing, we will drastically improve the packing of processed food and further improve the packing of light industrial goods as a whole.

In the production of people's consumer goods, simultaneously developing the large central industry and the medium- and small-size local industry is our party's unchanging policy. During the new long-range plan, the production process and facilities of the local industrial plant and local material bases will be consolidated. By so doing, we will increase local industrial production more than 2.5 times.

All sectors of the people's economy and their plants and enterprises will establish new daily necessity production annexes, workshops, and workteams and organize many house workteams and subsidiary workteams in urban areas, workers districts, and rural villages. By so doing, we will broadly carry out the 3 August people's consumer good production campaign.

To develop the rural economy rapidly and accelerate the light industrial revolution, a new turn must be effected in the chemical industry. By placing great emphasis on the chemical industry, by the last year of the new long-range plan, we will make chemical fertilizer production reach more than 7.2 million tons, chemical fiber production 225,000 thousand tons, and synthetic resin and plastic production 500,000 tons. During the new long-range plan, in addition, we will increase sodium carbonate production by 4.5 times, caustic soda production by 2.1 times, and lactic acid production by 3 times.

The existing chemical plants will be reorganized and expanded with new technology, and new chemical industrial bases, which will depend on domestic resources, will be extensively established. Efforts will be concentrated on the construction of the Suncheon vinalon complex. By so doing, we will provide 100,000-ton vinalon production capacities by 1988. At the same time, we will provide more than 800,000-ton nitrogenous fertilizer production capacities and more than 20,000-ton synthetic resin production capacities.

The construction of the Sariwon potash fertilizer complex will be vigorously pushed ahead with. By so doing, we will newly establish the potash fertilizer industry with domestic resources. In addition, we will build the Suncheon sodium carbonate plant, a chuche-oriented basic chemical industrial base. By so doing, we will even more properly meet the people's economic demand for basic chemical products.

In Hamhung and Namhung districts, various synthetic resin production bases and plastic production bases will be newly established, and the synthetic rubber industry will be developed.

The vigorous construction of residential houses is an important task to solve the people's food, clothing, and housing problems even more properly. During the new long-range plan, annually, 150,000 to 200,000 modern residential houses will be built through vigorous construction in the urban and rural areas. By so doing, we will solve our people's housing problem completely. In the construction of residential houses, we will increase the rate of three- to four-room houses, thus drastically increasing the living space per resident.

In Pyongyang, many new modern residential housing areas and sports, cultural, and service facilities will be established and, in the provincial seats, cities, county seats, and rural villages, beautiful modern residential houses will be extensively built with silicate bricks. By so doing, we will drastically change the appearances of the urban and rural areas.

Along with the construction of many modern residential houses, the urban management work will be improved, even more convenient and civilized living conditions will be provided for the working people, and the great effort of the country will be placed on improving the living conditions in the major industrial districts.

During the new long-range plan, recreation centers will be extensively built for workers, office employees, and farmers. In addition, the famous mountains of our country, Mt Paektu, Mt Kumgang, and Mt Myohyang, will be further developed comprehensively and large beach resorts will be established at the Myongsasimni, Monggumpo, and other beautiful seashores. By so doing, we will provide excellent cultural resorts for the working people.

As the level of the working people's material and cultural life is enhanced, a great revolution must be waged in the service sector for the people. During the new long-range plan, to properly meet the working people's demand for goods, the amount of retail goods circulation will be increased by 2.1 times and, in particular, the supply of goods will be improved for the rural areas.

In the urban areas, workers districts, and rural villages, stores, social care houses, and service networks will be established in a rational manner, and service activities will be actively carried out. By so doing, we will properly guarantee facilities for the people's life.

#### 4. On highly developing science and technology:

Vigorously accelerating the technological improvement of the people's economy by developing science and technology and intensifying the technological innovation movement is the most important task of the 3d 7-Year Plan. Highly developing science and technology is precisely a guarantee for highly increasing productivity, effecting new upsurges in socialist economic construction, and successfully solving the problems of the 3d 7-Year Plan.

During the new long-range plan, great efforts must be placed on developing science and technology. By so doing, the scientific and technological problems of socialist construction will be properly solved; the technological improvement of the people's economy will be realized; high scientific and technological progress will be made; and the scientific and technological level of our country will be enhanced to the world level as a whole.

Above all, according to the demand of the chucheization of the people's economy, efforts will be concentrated on improving the technology to develop and utilize the material, fuel, and energy resources of our country. Efforts will be placed on prospectively developing and utilizing the coal resources of our country and, in particular, the utilization of low caloric coal and low calorie anthracite will be actively expanded.

The technology of iron and steel production using domestic coal will be further perfected; coal gasification technology will be developed; the new

carbide production method which requires less electricity will be introduced; and its technology will be ceaselessly developed.

During the new long-range plan, through the new carbide production method, the large-scale synthetic fiber, synthetic rubber, and synthetic resin industries will be established; research on carbon (monoxide) chemistry will be deepened; and its industrialization will be accelerated. By so doing, with domestic anthracite, the chemical industry will be developed multifacetedly and prospectively.

The science and technology to develop and utilize potash resources, the deposits of which are endless in our country, and new chuche-oriented basic chemical industrial materials will be further perfected.

During the 3d 7-Year Plan, atomic, solar, wind, geothermal, and other energy resources will be actively utilized. By so doing, utmost efforts will be placed on developing science and technology to solve the energy problem of the country.

The urgent task which must be accomplished in the scientific and technological sector is to modernize facilities and production processes. During the new long-range plan, a large portion of the industrial investment will be used to modernize the facilities and production processes of the existing plants. By so doing, the effectiveness of the investment must be enhanced; the energy and material consumption rate must be reduced; and productivity must be rapidly increased.

The technological improvement of facilities and production processes will be sought first in the iron and steel, nonferrous, chemical, building material, and other industries where the energy consumption rate is high. In doing so, technological improvement will be systematically and vigorously sought in all sectors of the people's economy.

In metallurgical furnaces, the steel rolling process, and the ammonia production process, new technology and new production methods will be actively introduced to use less energy. By so doing, power and coal will be economized, ore dressing and smelting efficiency be enhanced in the nonferrous metal industry, and production processes be improved to sort out and utilize all useful metals. In addition, in cement production the wet production method which uses much energy but the production of which is low will be improved as a whole.

The production process of all sectors of the people's economy must be mechanized, automatized, robotized, and computerized. During the new long-range plan, in the coal, mining, and forestry industries, in the rural economy, and in the construction and transportation sectors where hard labor and a great deal of manpower are required, we will vigorously struggle to complete overall mechanization.



In the power, metallurgical, machine, chemical, building material, and other industrial sectors and in the railway and communication sectors, we will broadly seek the automatization, robotization, and computerization of production processes. In particular, in the machine tool, vehicle, tractor, rolling stock, and other production areas, industrial robots will be broadly introduced.

In the metallurgical furnaces, cement rotary kilns, and chemical reactors and in all other important production process of industry, computers will be introduced prospectively to improve production process comprehensively and rationally. In addition, programs needed by many areas will be developed and will be broadly utilized in the production and management activities, scientific research, geological survey, railway, and other transport sectors.

To accelerate the modernization of communications between the capital and the provinces and between the provinces and cities and counties, optical fiber cables will be introduced, and the satellite communication system will be further expanded.

To develop the science and technology of the country rapidly, scientific research work must be decisively intensified. A chuche-oriented stand will be established in scientific research work, and research work will be vigorously conducted to achieve the chucheization, modernization, and scientization of the people's economy and to attain the 10 long-range goals of the socialist economic construction.

The scientific research on modern science and technology will be intensified, the modern scientific and technological successes of mankind will be introduced according to the situation of our country, and efforts will be placed particularly on scientific research to rapidly introduce advanced technology in the development and utilization of the ultraminiature computers, optical fiber communications, biological engineering, new energy, and new materials.

To intensify scientific research, during the new long-range plan, by investing 3 to 4 percent of the gross national income in this area, the rate of the state investment will be annually increased for scientific research.

By strengthening cooperation between the scientific research organizations and economic guidance organizations which are in charge of production, successes won in the scientific and technological fields will be swiftly introduced into production.

To develop the science and technology of the country rapidly, in various forms and methods, scientific and technological exchanges will be actively sought with the socialist countries and many other countries of the world.

In developing science and technology, the responsibility and role of scientists and technicians will be enhanced and the creative wisdom and talent of the production workers will be highly mobilized.

5. On vigorously carrying out capital construction:

To decisively increase the production capacities of the key industries and successfully attain the new long-range goals, innovation must be effected in capital construction. During the 3d 7-Year Plan, more than 80 percent of the state investment in the capital construction will be used for the productive construction in key and other industries, the agricultural sector, and the transportation sector.

In productive construction, effort will be preferentially placed on the nature-remaking work for the 300,000 chongbo of tideland reclamation, on the construction of the Sunchon vinalon complex and the Sariwon potash fertilizer complex, and on the construction of major plants which are of pivotal significance in attaining the 10 long-range goals of socialist economic construction and solve the people's food, clothing, and housing problems. Meanwhile, in nonproductive construction, efforts will be placed on the construction of residential housing.

In all rural areas, locally available building materials will be broadly mobilized. By so doing, independent construction will be actively carried out for the economic and cultural development and for the improvement of the people's standard of living.

In capital construction, correct priorities will be set and the construction of major plants will be intensively carried out.

To increase the speed of construction and successfully carry out the huge capital construction, various construction equipment suitable to the situation of our country will be excellently introduced, the prefabricated construction material production capacities will be increased, the rate of the utilization of prefabricated materials will be further increased, new building materials will be extensively utilized, and advanced construction method will be broadly applied.

In the designing work, a firm chuche-oriented stand will be adopted and our party's unique architectural idea and construction policy will be thoroughly embodied. By so doing, all construction must be designed in a modern and useful way according to the situation of our country and the artistic sense of our people.

New successes in modern science and technology will be broadly introduced in building new plants in the future. By so doing, modern plants will be designed with the introduction of automation, remote control, robot, and computer systems, thus guaranteeing high scientific and technological level in the designing work.

6. On further developing foreign trade and the external economic work:

To accelerate production and construction and to successfully fulfill the new long-range plan, foreign trade and external economic work must be further developed.

During the 3d 7-Year Plan, based on our own firm economic foundation, trade and exchanges will be broadly developed. By so doing, the amount of trade of the country will be increased by 3.2 times.

The export of modern machine tools, heavy freight cars, vessels, electrical equipment, farm implements, and other machinery and facilities, which can be sold in foreign markets, will be extensively increased. At the same time, the export of nonferrous metal, magnesia clinker, cement, and other heavy industrial goods will be epochally increased. In the export of nonferrous metals and magnesia clinker, the rate of their processed goods will be decisively increased.

In the light industry and other economic sectors, export will be extensively increased and, in particular, the export of textiles, ceramics, glass products, enameled ironware, and plastic goods will be increased.

While extensively expanding state foreign trade, local and border foreign trade will actively be sought. By so doing, the local economy will be developed and managed even more properly.

Economic collaboration and joint venture with foreign countries must be broadly developed. During the new long-range plan, in the machine, electronic, automation and other industries as well as in the areas where the rich natural resources of our country can be utilized, collaboration and joint ventures with foreign countries will be broadly developed.

To expand foreign trade, special plants and workshops for the production of export goods will be broadly organized, the export good production bases will be consolidated, and ship, railway, and air transportation will be actively developed. By so doing, the transport of export goods will be properly guaranteed.

In foreign trade and external economic work, we will continue to attach importance to the socialist markets and, during the new long-range plan, we will actively and broadly seek foreign trade, collaboration, joint ventures, and technological cooperation with the socialist countries.

The external economic relations with the nonaligned and developing countries must be actively developed. Based on the principle of satisfying each other's needs, foreign trade will be broadly sought with the nonaligned and developing countries, and joint ventures and various forms of cooperation will be actively developed in the agricultural and many other fields.

Based on the principle of equality and reciprocity, economic relations will be broadly developed with the capitalist countries which respect the sovereignty of our country and are amicable to our country.

To broadly develop foreign trade and economic cooperation with many world countries, the credit-first principle must be thoroughly respected and the economic agreements concluded with foreign countries must be implemented without fail.

#### 7. On accelerating socialist cultural construction:

During the new long-range plan, all areas of the socialist cultural construction must be further developed.

In the education sector, the socialist education theses must be thoroughly implemented. By so doing, the quality of the universal 11-year compulsory education must be ceaselessly improved, and many able technological national cadres who are boundlessly loyal to the party must be nurtured.

The existing national cadre training bases will be consolidated, new colleges be established, and the training of technicians and specialists be expanded. By so doing, by 1993, we will make the ranks of technicians and specialists reach more than 2 million.

In particular, according to the demand of the economic development of the country and its scientific and technological development, many technological specialists will be nurtured in the machine, electronic, automation, chemical, and biological engineering fields.

While nurturing many technological national cadres, a firm reeducation system will be established for the working technicians and specialists. By so doing, their scientific and technological level will be ceaselessly enhanced.

During the new long-range plan, the technological education system will be consolidated to nurture skilled workers, high-grade skilled workers in particular, needed by many sectors of the people's economy.

To even more properly nurture the new generations as fully developed socialist and communist constructors, the political and ideological indoctrination will be intensified, and the generation and technological education will be adequately combined at a high level.

During the new long-range plan, many school buildings, including those for colleges, test and practice bases, sports facilities, and other education facilities will be built, thus further consolidating the material and technological foundation of the education.

In the literature and art fields, the literary and art thought and unique policy of literature and art of our party will be thoroughly embodied. By so doing, many literary and art works of high ideological and artistic value,

which will educate the working people in a revolutionary manner and encourage them to the rewarding struggle for the complete victory of socialism, will be created.

To properly meet the working people's high cultural demand, various cultural facilities will be newly built and, in particular, many cultural facilities will be established in the industrial districts and rural villages.

During the new long-range plan, physical culture and sports will be further popularized and will be made to become a part of the people's life. At the same time, the material foundation of sports will be consolidated and the level of the sports development of the country will be drastically enhanced.

In health work, the preventive medical policy of our party will be thoroughly implemented and the therapeutic medical service will be strengthened. At the same time, along with modern medicine, oriental medicine will be actively developed.

During the new long-range plan, preventive treatment groups will be increased by 1.2 times and hospital beds by 1.3 times. In addition, hospitals, clinics, and sanatoriums will be organized in a modern way.

The pharmaceutical and medical equipment industry will be further developed. By so doing, the production of a new broad spectrum antibiotics, various hormone vitamins, and high-efficacy medicines will be increased and many modern diagnostic and treatment facilities will be developed.

The 3d 7-Year Plan is a great masterplan to make decisive progress in the struggle to further strengthen the might of the Republic and win the complete victory of socialism. All guidance functionaries of all sectors of the people's economy and working people, with high revolutionary zeal and fighting spirit and with lofty faith in victory, must vigorously move forward toward the high peaks of the 3d 7-Year Plan.

To successfully fulfill the 3d 7-Year People's Economic Development Plan, the three revolutions--ideological, technological, and cultural--must be vigorously continued and our party's mass line must be thoroughly implemented. Vigorously carrying out the three revolutions--ideological, technological, and cultural--is a fundamental way to successfully implement the far-reaching program of the 3d 7-Year Plan, win the complete victory of socialism, and accelerate the bright future of communism.

All sectors of the people's economy, while giving firm priority to the ideological revolution, must vigorously carry out the technological and cultural revolutions. By so doing, they must successfully carry out the human-remaking work and brilliantly realize the high goals of the technological revolution and the task of the socialist cultural construction.

Accomplishing the given revolutionary tasks by believing in the might of the masses of the people and by actively mobilizing the revolutionary zeal and

creativity of the masses is the fundamental demand of our party's revolutionary mass line. All functionaries, always among the masses of people, must give priority to political work and actively arouse the masses' self-conscious zeal and creativity. By so doing, they must effect ceaseless upsurges in production and construction.

To successfully attain the far-reaching goals of the new long-range plan, economic guidance and industrial management must be decisively improved. In the guidance and management over the socialist economy, the principle of the proper combination of the political work, administrative and economic organizational work, collective guidance, and uniform command must be firmly maintained. By so doing, high speed in the economic development must be ceaselessly guaranteed.

Our party's unique chuche-oriented socialist economic management system will be firmly protected and defended and will be thoroughly applied. By so doing, we will fully display its vitality in socialist construction.

According to the demand of the Tae'an work system, all sectors of the people's economy and all plants and enterprises, under collective guidance, must give priority to political work and fully mobilize the creative strength and wisdom of the production workers. They must meticulously plan the economic organization work and carry out management activities in a scientific and rational manner. By so doing, they must successfully fulfill the new long-range plan.

In our country, complexes are a basic form of enterprises of key and other industries of all sectors of the people's economy. It is a basic unit of the planned management and operation of the state. Under the planned uniform guidance of the state, the complexes must adequately establish their own plans, responsibly conduct the economic organizational work--cooperative production, materials supply, and transport organizational work--and correctly apply the independent financial operation system. By so doing, they must carry out management activities creatively and effectively.

Based on correct plans, calculations, and statistical data, all sectors of the people's economy must scientifically carry out management activities. According to the transitional character of socialist society, they must rationally utilize all economic means. By so doing, they must ceaselessly improve industrial management.

To successfully fulfill the 3d 7-Year Plan, hidden potentials must be mobilized to the maximum extent in all sectors and at all units of socialist construction, the production and conservation campaign intensified, and all resources of the country be mobilized for socialist construction. When the 3d 7-Year Plan has been fulfilled, the economic might of the Republic will be strengthened beyond comparison and our country will proudly join the ranks of countries which are ahead of others in economic development of the world. By that time, our people's material and cultural life will reach a very high level, the difference between the urban and rural areas and class differences

between the working class and peasants will be eliminated, and a firm material foundation to establish a classless society will be established.

The goals of 3d 7-Year Plan are great. It vigorously encourages our people to new shining heroic feat. By firmly uniting around our party and the government of the Republic and vigorously advancing under the revolutionary banner of the chuche idea, our people will brilliantly attain the high goals of the 3d 7-Year Plan and win new great victory in revolution and construction.

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## N. KOREA/ECONOMY

### OFFICIALS ENDORSE NEW PLAN

#### DPRK MINING INDUSTRY OFFICIAL'S SPA SPEECH

SK300436 Pyongyang Domestic Service in Korean 0212 GMT 22 Apr 87

[Speech by Cho Chang-tok, SPA deputy, member of the WPK Central Committee and vice chairman of the Mining Industry Commission, at Second Session of Eighth DPRK SPA held in Mansudae Assembly Hall on 21 April--portions recorded]

[Text] He first said that he fully supported and agreed with the 3d 7-Year Plan, which wonderfully embodies the chuche-oriented economic construction life of our party and firmly guarantees our fatherland's prosperity and our people's happy future.

He then noted in detail the positive contribution made by the mining industry during the past long-range plan period, which achieved brilliant victory in all domains of the national economy under the wise leadership of the great leader and our party under the banner of the chuche idea, in further strengthening the self-reliant and chuche-oriented nature of the national economy and in guaranteeing endless economic growth by successfully occupying the coal heights and epochally increasing the production of various types of useful ores, including the nonferrous metal, through firm adherence to the party policy that calls for a firm organizing raw material and fuel bases in the country.

He continued: [Begin recording] Comrade deputies, the successful implementation of the 3d 7-Year Plan, which envisages unprecedentedly high goals and a high growth of production, hinges greatly on the development of the mining industry, the primary process of production. To rapidly develop the mining industry and give priority to it is one of the basic keys to successfully implementing the 3d 7-Year Plan.

During the new long-range plan period, the mining industrial sector should occupy the coal height of 150 million tons and the height of nonferrous metal of 1.7 million tons. When these heights have been occupied, our country will solemnly join the ranks of the advanced countries in terms of per-capita production of coal and nonferrous metal, the self-reliance and chuche nature of the national economy will be strengthened, and the people will live a more affluent life.



While concentrating effort on repairing and expanding large-size collieries and ore mines rich in deposits and easy to extract on a large scope, we will epochally increase the capacity of producing coal and ores by developing new collieries and mines and medium- and small-size collieries and mines with great potential for development.

Next, in order to smoothly solve the fuel problem and effectively use the nation's fuel resources, we will concentrate efforts on developing deposit-rich coal mines in Anju District and further expand large-scale coal mines in various districts, including Sunchon District, Toksong-pukchang District, Kaechon District, Kangdong District, Hamyang District in the North Hamgyong Province, and (?name) District in Kilchu, epochally increase the production of coal by actively developing new mines on a broad scope as well as low-calorie coal and (?low-calorie anthracite coal bases) and raise production capacity by more than 1.6 times.

Also, basing ourselves on the successes and experience that we have already achieved in the struggle to implement the decisions of the Hamhung Plenary meeting of the party Central Committee, which has opened a broad prospect for the development of the production of nonferrous metal in our country, we will concentrate greater effort on increasing the production capacity of nonferrous metal, which has great potential for production in our country and which has high demand in the global market.

To this end, we will continue to concentrate greater effort on mines in the Komdok District, Tanchon District, and Yanggang Provincial District, those districts that have rich deposits of high quality useful ores, so as to increase the production capacity of lead, zinc, copper, and gold on a greater scope. We will also develop and expand nonferrous metal mines with great efforts, including the 8 November mine and 5 March youth mine, on a large scope, while accelerating the development of nickle and antimony mines under development, and develop new mines in various districts so as to ensure production of more nonferrous metal.

By developing and expanding smelteries, including the Nampo smelter and Tanchon smelter, one after another and by introducing advanced technology, we will raise the smelting capacity, staging a more vigorous struggle designed to produce more rare metals of various kinds, including tungsten, nickle, and graphite, which are the components of alloys.

During the new long-range plan period, we will build large-size modern light metal production bases by thoroughly implementing the great leader Comrade Kim Il-song's teaching on the need to create new light metal production base and build a [word indistinct] and magnesium production base in Nampo District.

To realize the general mechanization of pit operations by giving priority to tunneling and replacing extracting equipment with large and modern ones in the collieries and mines is a policy that our party has consistently pursued, and is one of the major conditions bringing about changes in the production of coal and ores.

First of all, we will clearly remember of the great leader's teaching that giving priority to tunneling and stripping is the basic rule when it comes to the mining industry, while realizing the mechanization and overall mechanization of operations by equipping facilities in tunneling work faces and tunneling personnel work face facilities and tools smoothly and increasing the tunneling speed more than twice in all prospective collieries and mines by adopting advanced methods of blasting and tunneling.

At the same time, in the future we will build all the pits that we plan to build as well as those that have already been built on a large scale and in a modern way that fits the demands of modernization and thoroughly do away with the unreasonable aspects of the existing pits and raise the transportation ability a notch higher in particular.

By broadly introducing various types of props, including concrete, steel, and plastic props, not only into basic pits but also in the preparation pits, we will reduce the consumption of wood props by less than half, while seeing to it that the life span and solidity of those props are firmly guaranteed.

By actively realizing the mechanization and overall mechanization in mining coal and ores and by reforming the mining methods without interruption, we will drastically increase production by every employee. In particular, we will complete the mechanization and overall mechanization of pit operations by continuing to concentrate efforts on coal mines in the Anju District and mechanization in the coal mines and anthracite coal mines in the northern district and drastically increase the productivity of the mining (?equipment) and mining pits by endlessly reforming the mining methods.

By enlarging mining pits and actively adopting such advanced mining methods as [word indistinct] mining method and other effective mining means according to the party's policy of passing and processing a large quantity of ore, we will extract more ores and further raise the ore-dressing capacity by enlarging and modernizing the ore-dressing facilities and establishing new ore-dressing process and regent systems.

At the same time, we will launch a vigorous mass technological renovation by firmly organizing science and technological force in the mining industry and by strengthening work with scientists and technicians, while modernizing collieries, ore mines, and smelteries and turning them into [word indistinct] workshops.

In order to successfully implement the grand 3d 7-Year Plan, we will arm ourselves with our party's revolutionary ideology, the chuche idea, display a high degree of adopting an absolute and unconditional attitude toward the party's policies, give priority to political work according to the demands of the Taean work method, and meticulously organize economic and organizational work in a prudent manner so as to effect a decisive upsurge in production and construction in the spirit of the great postwar Chollima upsurge period.

Following the call of the party policy that entire party go into the masses, we will go deep among the producing masses and there we will listen to their voices, resolve the pending issues in a timely manner, and correctly combine political work with administrative and economic work so as to make the masses display a high degree of their revolutionary enthusiasm and creative fervor.

With a deep understanding that I have a high sense of responsibility of a commanding member of the revolution who is in charge of an important front of socialist economic construction, I firmly vow that I will actively contribute to occupying the grand heights of the 3d 7-Year Plan ahead of schedule by organizing and executing everything with a sense of responsibility and in the air of a proprietor and by always working and living according to the demands of the great leader's work style. [applause] [end recording]

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N. KOREA/ECONOMY

PAEK POM-SU SPEECH ON AGRICULTURE

SK280354 Pyongyang Domestic Service in Korean 0220 GMT 22 Apr 87

[Speech by Paek Pom-su, SPA deputy and responsible secretary of WPK South Hwanghae Provincial Committee, at Second Session of Eighth SPA of DPRK held in Mansudae Assembly Hall on 21 April--read by announcer with portions recorded]

[Text] Deputy Paek Pom-su addressed the SPA session. He first stressed that the 3d 7-Year Plan put forth by the great leader is a great program for economic construction to bring about a decisive advance in the struggle to further strengthen the country's economic might, to epochally enhance the people's standard of living, and to bring about the complete victory of socialism and fully supported it.

He stated that the 2d 7-Year Plan period was a historic period during which a great upturn was brought about in the development of the rural economy as well and that South Hwanghae Province has also attained great success in accomplishing great growth in all sectors of agricultural production. He stated that all these successes were the noble fruition of the wise leadership of the respected and beloved leader and our party, a great victory brought forth by the rural thesis and the chuche agricultural method, and a proud demonstration of the inexhaustible creativity of the agricultural workers and the people who uphold the party's leadership with loyalty.

He continued: [Begin Paek Pom-su recording] Comrade deputies, for the 3d 7-Year Plan period, the rural economic sectors have been assigned the honorable and vast task of attaining the 15 million ton grain target set by the Sixth Party Congress and supplying grain for all the people. In attaining the 15 million ton grain target, the task set for our South Hwanghae Province is very great.

Last November, the great leader Comrade Kim Il-song grasped the overall economic work of our province, and, noting that the most important economic work of South Hwanghae Province is to carry out farming well, he gave us programmatic teachings that concern producing more than 3 million tons of grain during the new long-range plan, placing major emphasis on good farming. This honorable task set by the great leader Comrade Kim Il-song is the militant banner that strongly encourages all the agricultural workers and

people in the province on to new exploits in the struggle to realize the complete victory of socialism in our country ahead of schedule by rapidly developing agricultural production and accelerating socialist rural construction. [applause]

The great leader has taught that to carry out farming well, we should firmly adhere to the thesis on our country's socialist rural problem and thoroughly implement it. The great socialist rural thesis put forth by the great leader is a program for socialist rural construction that comprehensively elucidates the task and method to ultimately solve the rural problem by solidifying and developing collective ownership and turning it into all-people ownership and to bring about the complete victory of socialism.

We will firmly adhere to the socialist rural thesis, our party's rural construction program, and vigorously wage the struggle to thoroughly implement it. In particular, we will actively accelerate the technological revolution--a basic task of socialist rural construction--and completely convert agricultural production into a modern technological process, making every effort to industrialize agriculture.

Above all, we will work hard, as put forth by the socialist rural thesis, to complete the mechanization of the rural economy, one of the basic methods of relieving the farmers of difficult and arduous labor and increasing grain production. With vigorous industrial support for agriculture, we will increase the number of the tractors per 100 chongbo of arable land to 12. By massively producing and supplying various types of modern farming machines, such as rice transplanting machines, rice seedling plucking machines, harvesting machines, and mobile threshing machines, we will ensure that all farming work that can be done by machines is done by machines.

At the same time, according to the yearly plan, we will massively conduct a land adjustment plan and make approximately 108,000 chongbo of rice paddies and nonpaddy fields into standardized cultivated fields so that modern farming machines can work efficiently.

We will also further increase the fertility of land and drastically increase the supply of agricultural chemicals, and by eliminating pests with the chemicals and thoroughly removing damage from blight, we will increase grain production.

Under the advantageous condition in which we have much water available from the Taedong and Chaeryong Rivers with the completion of the Sohae lockgate--the great monumental creation of our times--we will vigorously accelerate the irrigation project and the building of pumping stations as a mass movement to ensure a sufficient supply of water for the paddies and nonpaddy fields and the project to drain fields of excessive water so as to supply irrigated water more sufficiently to the area north and southwest of Mt Chuam. By completing the irrigation project in the province and establishing the irrigation system to supply water for the newly cultivated tideland, we will convert South

Hwanghae Province into the country's strong grain production base free from drought and flood.

We will build wind power plants in many locations in conformity with the physical features of the province where strong winds blow, and by obtaining much electricity in this way we will utilize it effectively. We will actively push ahead with the building of power supply facilities for the newly constructed large-scale tideland farms and ensure that the accomplished success in electrifying rural areas is further solidified.

Thus, during the new long-range plan period, we will thoroughly carry the task of technological revolution put forth by the rural thesis to ensure that agricultural production is completely converted into a modern technological process, that our agriculture is highly industrialized to make rapid progress in agricultural production capacity, and that the farmers are relieved of difficult labor.

One of the important tasks in increasing agricultural production during the 3d 7-Year Plan is to drastically increase the area of arable land by conducting vigorous campaign of tideland reclamation and finding new arable land. During the new long-range plan period, we will reclaim approximately 60,000 chongbo of tideland by properly combining large and small tideland reclamation projects, including the (Yongyodo) tideland reclamation project. Accelerating the (?inner netting) project, we will convert the reclaimed tideland into fertile cultivated fields. Reasonably deploying rural villages, roads, electricity, water supplies, and communications facilities, we will build new farms on reclaimed tideland in an excellent and modern way.

We will also vigorously conduct the campaign to find new arable land as a mass movement and find approximately 15,000 chongbo of new arable land during the new long-range plan, further increasing the area of arable land.

Thoroughly implementing the chuche agricultural method, the superiority of which has already been thoroughly demonstrated, we will further scientize the raising and managing of agricultural crops and actively introduce superior seeds for crops, including corn of shorter height, suitable to the climate and soil of our province and having high productivity. In this way, we will boost the per chongbo yield of rice and corn to more than 10 tons during the new long-range plan period, thereby strongly demonstrating the great vitality of the chuche agricultural method.

To successfully carry out the heavy and honorable task set for us, we will vigorously conduct the ideological revolution among functionaries and farm workers.

We will enhance the role of party organizations, people's power organs, and agricultural guidance organizations to improve the guidance and management of the rural economy. We will have all the functionaries go deep among the agricultural workers, conduct political work with prior emphasis on it,

solve the pending problems, and evoke the masses by personal example so that the struggle to increase grain production will be vigorously waged.

We firmly resolve that we will vigorously organize and mobilize all the people and agricultural workers in the province, thoroughly implement the great socialist rural thesis--our party's rural construction program--to accelerate industrialization of agriculture and to effect a new leap forward in agricultural production so that we can actively contribute to attaining the 15 million ton grain target. [applause] [end recording]

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CS0: 4110/136

N. KOREA/ECONOMY

YI CHI-CHAN SPEECH ON ELECTRIC POWER INDUSTRY

SK290729 Pyongyang Domestic Service in Korean 0228 GMT 22 Apr 87

[Speech by Yi Chi-chan, SPA deputy, at second session of Eighth SPA of the DPRK held in Mansudae Assembly Hall on 21 April--read by announcer with first portion recorded]

[Text] [Begin Yi recording] Comrade deputies, the 3d 7-Year Plan, the basic task of which is to lay a firm material and technological foundation for the complete victory of socialism by accelerating the process of making the national economy chuche-oriented, modernized, and science-oriented without letup, is a scientific and flexible plan that correctly reflects the great leader Comrade Kim Il-song's grand plan. It is also a militant program for economic construction.

I fully support and agree with the 3d 7-Year Plan, a brilliant blueprint for socialist construction unfurled by the great leader Comrade Kim Il-song.  
[applause]

During the 2d 7-Year Plan and the adjustment period for implementing the economic tasks, giant strides were made in our power industry sector, as in other sectors. During these periods, our power industry was strengthened and developed into a mighty, self-reliant energy base capable of meeting the demands for power, which vastly increased in proportion to the rapid developments in production and technology.

Such successes in the power industry sector are the noble fruition of the wise leadership of the respected and beloved leader Comrade Kim Il-song, who, after presenting the policy on how to build a chuche-oriented energy base, along with the energetic guidance of our party, has led our people to its implementation. [applause]

At important meetings of the party and state during the previous long-range plan period, including the 19th plenary meeting of the 5th Party Central Committee and the 4th plenary meeting of the 6th Party Central Committee, the great leader elucidated concrete directions and methods designed to actively develop and utilize the energy bases of the country and then energetically led the struggle to implement them.



In particular, by convening a meeting of the Political Bureau of the Party Central Committee and a consultative meeting of responsible functionaries of the power industry sector in 1985 when the adjustment period for implementing economic construction began, the great leader taught of the need to adhere to the construction of hydroelectric power plants as a key factor, to concentrate effort on it, to accelerate construction of thermal power plants, and to give firm priority to the power industry. He also sent a large number of heroic soldier-builders to the construction sites of major power plants, even when the situation was very tense due to the maneuvers of the U.S. imperialists and the South Korean puppet clique to provoke a new war, taking the epochal measure of ordering the smooth supply of materials and facilities.

To brilliantly realize the great leader's wonderful policy of actively developing and utilizing the energy resources of the country, our party conducted an investigation of the water resources throughout the country in a daring and a bold manner and saw to it that all sectors vigorously supported the construction of power plants and that the power industry sector is made science-oriented and independent.

During the previous long-range plan period, our power industry sector has attained great success in further expanding and strengthening the nation's energy bases according to the demands of the fast-advancing socialist construction under the wise leadership of the great leader and our party. During the previous period, construction workers of the power industry and KPA soldiers newly built the large-scale Taedonggang power plant, then built the Mirim lockgate power plant, the Ponghwa lockgate power plant, the Chongchon lockgate power plant, and the Sonchon lockgate power plant on the Taedong River in succession, and then erected the modern Changsan power plant on the Chongchon River in a magnificent manner.

The construction of the Taechon power plant, another wonderful creation of the era of the Workers' Party being built according to the great leader's unique plan to develop the water resources, is now in its final stage of construction.

What is more, with the construction of small and medium-sized hydroelectric power plants being vigorously pushed ahead, a large number of small and medium-sized hydroelectric power plants, including the power plant on Unpa Lake and the power plant on (Kapinchon), have been newly erected.

Construction workers in our power industry sector have also further expanded the Pukchang thermal power plant into a large-scale energy base, increased the production capacity of the Tae'an thermal power plant, erected the Chongjin thermal power plant--which plays an important role in solving the pressing problem of power in the northern district--and accelerated the construction of the Sunchon thermal power plant, now nearing completion. As a result, the energy base based on our country's water and fuel resources has been built more firmly and power generation capacity has been strengthened.

To consolidate existing energy bases in terms of quality and to normalize the production and supply of electricity by rendering the power industry sector more reasonable is another brilliant success we achieved over the previous long-range plan period.

We have also created a [word indistinct] production base, with a production capacity of 10,000 tons, capable of producing steel power-transmitting towers by displaying a high degree of the revolutionary spirit of self-reliance; laid several thousand kilometers of high-voltage power lines; and organized the power transmitting aspect more firmly in proportion to developments in power generation capacity, while firmly guaranteeing the credibility of power supply.

Indeed, over the course of implementing the 2d 7-Year Plan, we firmly defended the heart of chuche industry by endlessly raising the degree of making the power industry chuche-oriented, modernized, and science-oriented and positively contributed to successfully implementing the 2d 7-Year Plan in all domains of the national economy.

This is a powerful demonstration of the justness of the chuche-oriented policy presented by the respected and beloved leader Comrade Kim Il-song to develop the power industry and the wisdom of his leadership. It is also the brilliant fruition of the outstanding and energetic leadership of our party, which has vigorously organized and mobilized all the people in the country, as well as the working people in the power industry sector to implement party policy.  
[applause] [end recording]

He went on to note that during the new long-range plan period, the power industry faces the honorable but heavy task of brilliantly occupying the height of a trillion kWh by rapidly developing the power industry based on its own energy resources and is giving priority to power generation. He then noted the need to endlessly increase the production of power by vigorously pushing ahead with the construction of large-scale power plants and small and medium-sized hydroelectric power plants.

He stressed the need to maximize power generation capacity by positively realizing technological renovation that concerns existing power generation facilities and the power industry sector, the need to effectively use produced electricity, and the need for functionaries to more actively push ahead with the technological renovation movement and enterprise management.

He renewed his firm pledge to make a positive contribution to brilliantly occupy the 10 major goals of socialist economic construction, together with all the functionaries of the power industry sector, by implementing the programmatic tasks the great leader has presented before the power industry sector without fail through devoted struggle with inexhaustible loyalty to the party and the leader and high revolutionary enthusiasm.

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CSO: 4110/136

N. KOREA/ECONOMY

YUN MYONG-KWON SPEAKS ON CONSTRUCTION

SK300623 Pyongyang Domestic Service in Korean 0242 GMT 22 Apr 87

[Speech by SPA Deputy Yun Myong-kun at second session of the Eighth DPRK SPA held at the Mansudae Assembly Hall, Pyongyang, on 21 April--portions recorded]

[Text] [Begin Yun recording] Comrade deputies: The 3d 7-Year Plan--a grand economic construction plan that will help to effect a decisive turn in the struggle to further enhance the economic might of our country and achieve the complete victory of socialism--is powerfully encouraging us, who are accelerating the cause of imbuing the entire society with the *chuche* idea, to effect heroic exploits with new faith. I fully support and endorse the 3d 7-Year Plan that embodies the great leader Comrade Kim Il-song's *chuche*-oriented idea of economic construction and correctly reflects the demands of our developing revolution and the aspirations of our people. [applause]

During the period of the 2d 7-Year Plan and the adjustment period in which steady upsurges have been effected in all fields of the revolution and construction, great changes have taken place in the construction of Pyongyang, the capital of the revolution. The farsighted concept and wise leadership of the great leader and our party have been brilliantly embodied in the field of the construction of the capital. As a result, the looks of Pyongyang have been drastically renewed within a short period of time, the capital has been turned into a more grand and beautiful modern city meeting the demands of the people in this era of independence, and it has shone as the capital of the revolution which symbolizes the majesty of *chuche* Korea.

In the period of the last long-range plan and under the wise leadership of our party, the *chuche* tower and the arch of triumph--great monumental creations that will make the immortal revolutionary achievements of the great leader shine forever and will greatly contribute to indoctrination in the *chuche* idea and the revolutionary tradition--were built; the Taesongsan Revolutionary Martyrs Cemetery and the Kim Il-song stadium were rebuilt and expanded; and the Grand People's Study Hall, the Mansudae Assembly Hall, the Ponghwa Art Theater, the Pyongyang Maternity Hospital, the Changgwangwon, the ice rink, the Chongnyu restaurant, and other countless creations of our era which can be handed down to our descendants for ages to come were constructed in Pyongyang.

Because of their huge size, profound ideological and artistic content, original architectural style, and revolutionary and people-minded characteristics, the chuche tower, the arch of triumph, and other grand monumental creations, which were built thanks to the energetic guidance of our party, have been arousing great marvel among numerous people and have been displaying their pride of being great masterpieces of the era of the Workers' Party.

In the period of the last long-range plan, the construction of houses was speedily and vigorously carried out in Pyongyang. As a result, the modern Changgwang Street, the Munsu Street whose size is reminiscent of a city, the Puksae Street, and other grand and beautiful streets were built in many areas of the city within a short period of time. Also, such modern tidy villages as Nanmi village in Mangyongdae District were built on the outskirts of the city. In addition, large-size commercial and food service buildings, including the No 1 Pyongyang Store, and various service facilities were constructed at many places. Thus, the citizens of the capital have been able to enjoy a happy and rewarding life to their hearts' content under cultural living conditions and with all kinds of service benefits.

Great success in the field of constructing public buildings, such as educational, cultural, and public health facilities, parks, and fun fairs, was also attained, and thus an unprecedented number of public buildings and facilities, including the No 1 Pyongyang Higher Middle School, University of Foreign Languages, Pyongyang Agricultural University, Korea Engineering University, the (?Kim Man-ho) Hospital, the Pyongyang Municipal Dental Clinic, the Mangyongdae fun fair, the swimming pool, and the Kaeson youth park, were erected.

Moreover, the Mirim lockgate, the Ponghwa barrage, the bridge of loyalty, the Yanggak bridge, and other lockgates and bridges were built along the Taedong River, and a new subway between Hyoksin and Kwangbok was completed, thus adding beauty to the scenery of the capital and making it possible to more smoothly solve traffic problems.

Also, success was attained in the construction of industrial facilities in the capital. New 98 modern plants, enterprises, and workshops, including the 18 September Bearing Plant, the Taedonggang Battery Plant, and the Mangyongdae Wheat Flour Processing Factory, were built. As a result, today's Pyongyang has been changed into a more grand and beautiful people's paradise better to live in which great monumental architectural structures making the era of the Workers' Party shine, modern streets, many educational, cultural, and public health facilities, industrial facilities, and parks and fun fairs constitute in harmony. Also, the capital has been turned into a city of the revolution where the mettle of the era of independence is pervading every corner and the great idea of human dignity is brilliantly shining--traits worthy of the capital of the chuche fatherland.

The construction of epochal creations, which display the resourcefulness and mettle of our people, under the leadership of our party in the period of the

last long-range plan is indeed, a great honor and pride for our people and the capital construction workers. These proud changes in building the capital are fruitions totally attributable to the wise leadership of the respected and beloved leader and the party center and a proud demonstration of the great vitality of our party's chuche-oriented idea of building the capital.  
[applause]

The great leader Comrade Kim Il-song began to unfold a new history of the construction of the capital by taking part in the shoveling work of the Potong River conservancy project after liberation with a farsighted concept to turn Pyongyang into the center of the Korean revolution and into a people's paradise good to live in. Amid the miserable ashes of war on which the U.S. imperialists babbled that we would not be able to revive even after 100 years, he newly built Pyongyang into a city of the revolution and people.

Our party laid down a farsighted concept for the construction of the capital and original policies of construction in order to make the immortal achievements of the great leader in the construction of the capital further shine and to build the capital of the chuche fatherland into a grand, beautiful, and modern city in conformity with the demands of reality, and has energetically led the struggle to realize them. With shining wisdom and outstanding leadership, our party has conducted new operations in daring and bold manner and has given meticulous guidance to the architects and construction workers to enable them to create our type of new architectural art and construct speed with matchless courage and creative wisdom. In particular, the party has guaranteed all conditions which have enabled us to build all the construction structures into ones worthy of creations of the era of the Workers' Party. Because of the existence of our party's revolutionary policy of the construction of the capital and its wise leadership, we have been able to erect grand monumental creations, which makes the era of the Workers' Party shine, in such a short period of time--precious assets for the prosperity of the fatherland and the happiness of the people--while creating new miracles and heroic exploits with powerful assistance from the entire party and county, and have been able to turn the capital of Pyongyang into a world-renowned city and a paradise of the people.

For this reason, many foreign friends visiting Pyongyang express their marvel at monumental creations brilliantly embodying our party's tested leadership and original architectural aesthetic idea, touring them, and unanimously praise the outstanding and tested leadership of our party. [end recording]

He continued: We are assigned the rewarding and honorable task of building Pyongyang, the capital of the revolution, in a more refined way during the period of the 3d 7-Year Plan. We will make efforts to make it possible to see the traits of the fatherland through Pyongyang and provide more convenient and civilized living conditions to the people by building the capital in a better way.

He said: The functionaries should decisively increase the speed of construction and improve its quality by planning and coordinating economic

organizational work in conformity with the demands of the Taaan work system at all units and on all fronts of the construction of the capital and by actively introducing advanced work methods.

Saying that all the efforts will be concentrated on building facilities for the 13th World Youth Festival, he made a firm determination to effect new upsurges once again in constructing the capital through a powerful speed battle while upholding the banner of the three revolutions--ideological, technological, and cultural.

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CSO: 4110/136

N. KOREA/ECONOMY

KIM HWAN SPA SPEECH ON PEOPLE'S STANDARD OF LIVING

SK241200 Pyongyang Domestic Service in Korean 0600 GMT 22 Apr 87

[Speech by Kim Hwan, SPA deputy [no further title given], at the 2d-day morning session of the second meeting of the Eighth SPA--recorded]

[Text] [Announcer] Describing the 3d 7-Year Plan as a scientific and flexible plan that firmly solidifies the material and technological foundation of socialism by implementing a magnificent program for achieving the complete victory of socialism and firmly guarantees the epochal improvement of the people's standard of material and cultural living, he said that he fully supports and approves this plan. After noting in a detailed manner the great successes attained in the chemical and light industry sectors and in the sector of service for the people during the 2d 7-Year Plan period, he said:

[Begin recording] Comrade deputies, regarding epochally improving the people's standard of living as the most important task that should be performed during the 3d 7-Year Plan period in his historic policy speech at the first session of the Eight SPA, the great leader Comrade Kim Il-song has opened a brilliant prospect for improving the people's standard of living.

The great leader Comrade Kim Il-song has taught: We should raise the people's overall standard of living a step further by smoothly resolving questions concerning clothing, food, and shelter for the people during the new long-range plan period.

Improving the people's overall standard of living a step further by smoothly resolving questions concerning clothing, food, and shelter for the people to comply with the progress of socialist construction and with the continuous increase of the people's demands in their daily lives is an important task that proceeds from the basic principle of the activities of our party and the government.

During the 3d 7-Year Plan period, we will brilliantly perform the honorable task of epochally improving the people's standard of living by further developing the chemical industry and by vigorously carrying out the light industry revolution. Saying that in order to carry out the light industry revolution, we should develop the chemical industry first, the great leader

has comprehensively delineated the direction and method of rapidly developing the chemical industry during the long-range plan period.

While using the capacities of existing chemical plants by maintaining and reinforcing them with modern technology to make them much more successfully serve in smoothly resolving questions concerning clothing, food, shelter for the people by achieving goals for grains and cloth, we will build on a full-fledged scale new chemical industry bases that rely on domestic resources in our country.

While rebuilding and expanding existing fertilizr plants to achieve goals for chemical fertilizer, we will develop processes for the production of fertilizer at the Sunchon vinalon industrial complex and will vigorously accelerate the construction of the Sariwon potash fertilizer industrial complex. Thus, we will rapidly increase the production of chemical fertilizer and will remarkably improve the quality of this fertilizer. At the same time, we will contribute to thoroughly adopting our party's chuche farming method and to increasing grain production by increasing the production of microelement fertilizer that suits soil conditions in our country and the production of various pest control agents.

In order to firmly solidify the chemical fiber production base to meet the demand for achieving the goal of 1.5 billion meters of cloth, we will develop the capability to produce 100,000 tons of vinalon by the next year by continuously concentrating on the construction of the Sunchon vinalon industrial complex, which is being built into a chuche-type and an integrated large chemical base in accordance with the party's far-sighted plan. At the same time, we will rapidly increase the production of chemical fiber by rebuilding and expanding the Sinuiju chemical fiber industrial complex and the Chongjin chemical fiber industrial complex.

We will build synthetic resin plants and synthetic rubber plants in the Hamhung and Namhung areas, will greatly increase the production of various synthetic resins, including vinyl chloride, polyethylene, and polypropylene, and plastics, and will produce synthetic rubber, such as chloroprene.

During the new long-range plan period, we will increase the production of lactic acid by 3 times, the production of caustic soda by 2.1 times, and the production of sodium carbonate by 4.5 times by expanding the capacity for the production of basic chemical goods to comply with the rapid increase of the production of chemical goods. By further developing the small- and medium-size chemical industry, we will positively increase the production of various chemical goods, including dyestuffs and reagents. We will chemicalize the people's economy and much more firmly solidify the raw material base of light industry by comprehensively developing our country's chemical industry by accelerating the construction of chemical industry bases that resort to domestic resources and by decisively increasing the capability to produce various chemical goods.



We will bring about a new upsurge in producing people's consumer goods by vigorously accelerating the light industry revolution in addition to the development of the chemical industry.

During the new long-range plan period, we will annually supply 76 meters of cloth per capita by achieving the goal of 1.5 billion meters of cloth set forth at the Sixth Party Congress. If this is realized, the question of clothing for our people will be resolved in a much more smooth manner, and our country will attain the level of the developed countries of the world in the production of cloth per capita.

In order to successfully achieve the goal for 1.5 billion meters of cloth, we will obtain a spinning capability equivalent to more than 100,000 spindles by further accelerating the work of speedily operating spinning equipment. At the same time, during the new long-range plan period, we will increase spinning workshops and the capability to produce cloth by more than double by rebuilding and expanding large spinning plants, including the Pyongyang, Sinuiju, and Kusong spinning plants, and by building new modern spinning plants equipped with 50,000 to 100,000 spindles in areas--including Anju, Chongjin, Tokchon, and Wonsan--where there are rich sources of labor manpower.

In addition, by building on a full-fledged scale small- and medium-size knitting plants in various areas, we will expand knitted clothing production bases and will increase the production of various knitted clothing. Thus, we will smoothly implement our party's policy on spinning and knitting. By rapidly developing the clothing processing industry, we will bring about a new change in our people's attire.

While further developing the processing of staple and secondary foods to make the people's dietary life much more rich and to lessen women's burden of household chores, we will rapidly increase the production of foods, including edible oil, sugar, cakes, and beverage, by positively tapping and exploiting the sources of raw materials in local areas, thus meeting the people's demands for these foods.

We will bring about a change in the quality of shoes by further modernizing shoe plants and by positively adopting new methods of producing shoes. By maintaining and reinforcing daily necessities plants and by building new plants and workshops, we will much more successfully meet the people's increasing demands for household items, for school things, and for modernized articles.

In addition, we will further develop local industry, which occupies an important position in the production of people's consumer goods. While maintaining and reinforcing local industry plants and while much more firmly solidifying raw material bases for local areas, we will normalize production on a high level by strengthening state ensurance work and guidance. Thus, during the 3d 7-Year Plan period, we will increase the total output of local industry by more than 2.5 times.

We will positively increase the production of daily necessities required for the people's daily lives by continuously expanding and strengthening work teams at daily necessities branch plants and workshops at central industrial enterprises, by organizing a greater number of domestic work teams in cities and villages, and by much briskly carrying out the 3 August people's consumer goods production movement. During the new long-range plan period, we will bring about a new change in the number of the items and quality of consumer goods by thoroughly implementing our party's consistent policy of increasing the number of the items and quality of people's consumer goods in developing the production of these goods.

What is important in successfully performing the vast task of the new long-range plan is to positively realize the technological reform of production processes by developing science and technology and by strengthening the technological innovation movement. We will resolve in a timely manner scientific and technological questions in making the country's chemical and light industry sectors chuche-oriented, modern, and scientific by correctly formulating the plan for developing science and technology to comply with the long-range goal for developing the chemical and light industry sectors and with the world trend for developing science and technology and by vigorously carrying out scientific research work and the technological innovation movement to achieve this end.

We will help continuously bring about innovations in all production units by closely organizing economic organizational work to meet the requirement of the Taaen work system, by highly displaying the spirit of absolutely and unconditionally implementing party policies, and by strengthening organizational and political work to much more briskly carry out the movement to win the red flag of the three revolutions among workers.

We will bring about an innovation in the production of people's consumer goods with the lofty spirit of revolution, party-mindedness, the spirit of the working class, and people-mindedness and by firmly assuming the stand for taking responsibility for the people's daily lives. At the same time, we will devote our wisdom and energy to the work of raising the people's standard of living a step further.

By always cherishing deep in mind a sense of heavy responsibility for the party and the country and by devoting myself to the struggle to successfully perform the militant task of the 3d 7-Year Plan, I am firmly determined to positively contribute to fulfilling the far-sighted plan of the great leader and our party to expedite the complete victory of socialism and to provide our people with a much more affluent and civilized life. [applause]

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CSO: 4110/136

N. KOREA/ECONOMY

SPA DEPUTY SPEAKS ON FISHERIES WORK

SK010537 Pyongyang Domestic Service in Korean 0617 GMT 22 Apr 87

[Speech by SPA Deputy Yi Chong-kyun at the 22 April 2d-day meeting of the second session of the Eighth DPRK SPA in Pyongyang--with portion recorded]

[Text] Noting that under the wise leadership of the great leader and our party, the fisheries in the country, during the 2d 7-Year Plan period, developed into modern fisheries that much more successfully serve the improvement of the people's standard of living by continuously increasing the production of marine products by resorting to a powerful production foundation equipped with up-to-date technology, Deputy Yi Chong-kyun said that during the past long-range plan period, a proud success was attained in brilliantly achieving the goal of 3.5 million tons of marine products envisaged in the 2d 7-Year Plan. He then said that during this period, the South Hamgyong Provincial General Fishery Bureau further strengthened material and technological foundations and correctly provided an asset to bring about a new upsurge based on this during the long-range plan period in the production and processing of marine products.

He said that all the successes attained during the long-range plan period are the results of the wise leadership of the great leader, who has continuously given consideration to much more smoothly resolving questions concerning food, clothing, and housing for the people, and are the brilliant fruition of the great vitality of our party's fishery policy. He continued:

[Begin Yi Chong-kyun recording] Comrade deputies: in order to achieve the goal of 11 million tons of marine products, which is envisaged in the 3d 7-Year Plan set forth by the great leader Comrade Kim Il-song, our fishery bureau is assigned the honorable task of increasing the production of marine products by 3.2 times as compared with the level set during the past long-range plan period. By successfully achieving the goal for marine products during the 3d 7-Year Plan period, we should increase the daily share of fish per capita to more than 400 grams in 1993. Although the task is vast, all workers and technicians in the fishery sector are overflowing with a firm will and burning resolve to successfully perform the militant task set forth by the party.

In order to successfully accomplish the task assigned to the General Fishery Bureau of our province during the new long-range plan period, we will decisively increase the capability to repair ships by increasing the number of fishing boats and by firmly solidifying ship repair bases. At the same time, we will carry out the work of building wharfs on a full-fledged scale.

We will build a greater number of various fishing ships, small and large, through our own effort by making existing fishing ships much more modern and all-round performers and by adopting advanced ship building methods.

We will accelerate the work of expanding the processing workshop at the Tanchon ship repair plant by using construction materials available in local areas and will increase the capability to repair ships by 2 times by much more correctly solidifying ship repair bases. Thus, we will guarantee 300 days of sailing for fishing by thoroughly establishing the 20-day system of ship repair in accordance with the demand of the party.

By vigorously accelerating the construction of the wharfs of the Iwon, Samho, and Nagwon fishery stations to build wharfs to comply with the increase of fishing boats, we will make these wharfs provide anchorage for large ships. While building a greater number of fish unloading facilities, we will facilitate fishing operations by rebuilding existing fish unloading facilities in a modern manner.

During the new long-range plan period, we will boldly wage fish catching battles by pioneering distant and deep sea fishing grounds, by positively introducing advanced fishing gear and methods, and by thoroughly establishing a fishery system.

In recent years, as the fish catch on deep seas has increased as a result of changes in the ocean currents, it is very important to concentrate major efforts on deep sea fishing operations as taught by the great leader. This is very significant in rapidly developing our fisheries industry.

By strengthening research work on deep sea fish and fish finding work there, by rapidly resolving the scientific and technological problems which arise in deep sea fishing, and, thus, by actively advancing toward the deep seas with powerful and modern fishing boats, we will vigorously conduct fish catching operations. Along with this, by developing both coastal and deep sea fishing operations we will increase fish production by far in the new plan period.

During the period of the new long-range plan we will concentrate greater efforts on fish ocean farming and rapidly increase its production.

We will also further expand the existing fish farming sites and build new fish farming sites in Tanchon, (Yukkye), and (Samho), which are favorable districts for fish farming, by the first of next year. Thus, we will increase the total area of fish farming sites nine times by more vigorously waging the battle to expand the fish farming sites.

We will actively accelerate the mechanization of fish farming and the industrialization of seaweed farming. We will also extensively introduce advanced fish farming methods and scientifically and technologically wage fish ocean farming by improving the work of breeding fish and other marine products. Thus, we will increase the species of seaweed of various kinds, including kelp and brown seaweed, and species of clams of various kinds, and their production.

We will accelerate the modernization of processes of marine products to meet the increasing production of marine products. To successfully carry out the honorable task assigned to our fisheries sector, we will organize and coordinate economic organizational work under the collective guidance of the party committees in conformity with the demands of the Taaan work system created by the great leader. At the same time we will carry out economic guidance and enterprise management in a scientific and rational manner by correctly implementing the independent economic accounting system. Thus, we will fully demonstrate the superiority and vitality of the fishery complexes.

In conclusion, I firmly pledge to actively contribute to epochally improving the people's living by devotedly struggling with boundless loyalty to the party and the revolution and with higher revolutionary zeal and, thus, by successfully attaining the goal of 11 million tons of marine products.  
[applause] [end recording]

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CS0: 4110/136

N. KOREA/ECONOMY

YI CHA-PANG SPEAKS ON SCIENCE, TECHNOLOGY

SK010401 Pyongyang Domestic Service in Korean 0623 GMT 22 Apr 87

[Speech by SPA Deputy Yi Cha-pang at the 2d day meeting of the second session of the Eighth SPA held in Mansudae Assembly Hall on 22 April--portion recorded]

[Text] Deputy Yi Cha-pang stressed that during the past long-range plan period, scientists and technicians, under the wise leadership of the great leader and our party, not only effected great changes in strengthening the economic foundation of the country and in improving the people's living, but also actively contributed to strengthening the chuche-oriented and self-reliant nature of the industries by concentrating efforts on resolving the scientific and technological problems arising in making the national economy chuche-oriented, modernized, and scientific. Stressing that the rapid development of our science and technology during the past long-range plan period was a result of the wise leadership of the respected and beloved leader who has propounded a correct scientific and technological policy at every period and stage in the development of the revolution and who has led our party's struggle for its implementation, he continued:

[Begin recording] Comrade deputies: By developing science and technology, by strengthening the movement for technological innovation and, thus, by rapidly realizing the overall technological reforms in the national economy in the 3d 7-Year Plan period we will further accelerate the work of making the national economy chuche-oriented, modernized, and scientific.

We will study and develop modern geological surveying methods and surveying equipment and will enhance the speed and efficiency of survey work so that we can extensively survey and grasp the fuel and raw material resources in our country. Along with this, by developing more modern geological surveying facilities and equipment we will completely realize the comprehensive mechanization of pit work and decisively enhance tunneling speed and production of coal and minerals. At the same time, we will accelerate the scientific research work of extensively utilizing wind force and tide water force, solar heat, and other power resources, together with the construction of large-scale hydraulic power plants. We will further enhance the efficiency of the (?water mills) of the existing hydraulic power plants, reduce the loss of electricity in the power-transmission lines, and collect and utilize waste

oil in many sectors of the national economy. Thus, we will establish measures to produce electric power, economize on raw materials, fuel, and electric power, and utilize them in a reasonable way.

In the metal industrial sector, by further developing metallurgic techniques with use of our own fuel, we will improve the technological and economic indexes. By introducing advanced technology we will increase [word indistinct] and reduce the electric power consumption rate per ton of (?metal) 30 percent than now. Thus, we will further strengthen the self-reliance of our metal industry.

In the chemical industrial sector, we will concentrate great efforts on the scientific research work of developing the chemical industry, using limestones and smokeless coal, which are abundant in our country, as raw materials. At the same time, we will establish scientific and technological measures to reduce the raw material consumption rate per ton of major products, including vinalon, ammonia, and methanol.

In the long-range plan period we will boldly rebuild the old and backward production processes into more modernized new ones. We will also concentrate efforts on the scientific research work of realizing comprehensive mechanization, automation, robotization, and computerization and will actively introduce the successes of the work into production.

We will also accelerate scientific research work to make the national economy scientific with a view to the future in conformity with the realistic demands of the developing socialist economy and with the trend of the developing science and technology.

We will actively introduce modern technological means, including computers, into all sectors of the national economy and will thus enhance production and technical processes, methods of production, and managerial activities on the new scientific foundation.

We will develop basic science, including mathematics, physics, chemistry, and biology. We will actively pioneer the new scientific sectors, such as cytological engineering, genetic engineering, ultra-high pressure physics, ultra-low temperature physics, laser, and plasma, and will concentrate greater efforts to rapidly introduce the successes attained in these new scientific sectors into production.

Based on the scientific and technological development plan of the 3d 7-Year Plan we will correctly establish the scientific and technological development plan of each year and the work plan to correctly resolve with priority the scientific and technological problems, which have weighty significance in developing the national economy. Along with this, we will establish strong discipline in implementing the scientific and technological development plan.

By further organizing and coordinating the shock brigade movement for technological innovation--the correctness and vitality of which have been

fully demonstrated through practice for more than 10 years in the past, we will organize more shock brigades composed of scientists and technicians and send them to major sectors and units of the national economy. Along with this, by inspiring these shock brigades to voluntarily carry out their assigned tasks we will see to it that they resolve the scientific and technological problems arising in the implementation of socialist construction in a timely manner.

At the same time, we will not only screen and evaluate, in a timely manner, the suggestions for new technological innovations presented by scientists, technicians, and producers, suggestions from their inventions and creative ideas, and suggestions for rationalization, but also vigorously push ahead with the mass movement for technological innovation by closely combining the movement with various mass movements, including the movement to win the red flag of the three revolutions. Thus, we will see to it that the entire country seethes with the flames of the technological revolution.

During the period of the new long-range plan, we will also strengthen scientific and technological exchange with foreign countries, including socialist countries and will vigorously push ahead with scientific and technological exchange with them in various forms and methods.

Today when there is the tested leadership of the great leader and our party, when there is the large force of 1.25 million intellectuals in our country, and when the material and technological foundation for scientific and technological development has been firmly provided in our country, there is no fortress before us that cannot be occupied. [applause]

I firmly pledge not only to further accelerate the work of making the national economy chuche-oriented, modernized, and scientific by organizing and coordinating the administration work for science and technology with firm faith in and courage of victory under the leadership of the great leader and our party and by vigorously inspiring scientists and technicians to carry out, the new long-range plan, but also to actively contribute to expediting socialist and communist construction by rapidly developing our country's science and technology to world's level in response to the demands of our party. [applause] [end recording]

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CSO: 4110/136



N. KOREA/ECONOMY

YI HA-SOP SPEAKS ON RURAL ECONOMY

SK300340 Pyongyang Domestic Service in Korean 0629 GMT 22 Apr 87

[Speech by SPA Deputy Yi Ha-sop at the second session of the Eighth DPRK SPA held in Mansudae Assembly Hall on 21 April--read by announcer with portions recorded]

[Text] Deputy Yi Ha-sop stated that the 3d 7-Year Plan is the great goal of economic construction set forth to strengthen the economic might of the country, to epochally improve the people's living, and to effect a decisive turn in the struggle for the complete victory of socialism and that he fully supports this plan. He continued to say that during the period of the 2d 7-Year Plan, the rural economy sectors of North Pyongan Province, under the wise leadership of the great leader and our party, not only effected great upsurges in agricultural production by thoroughly implementing the chuche-oriented farm method, but also incomparably strengthened the material and technological foundation of agriculture by increasing state investments in agriculture and by strengthening industrial support for agriculture.

Noting that all successes attained in the rural areas of North Pyongan Province are a brilliant result of the great leader's wise leadership exercised to develop the rural economy of the country and are a clear evidence of the correctness and vitality of the agricultural policy of our party, he continued.

[Begin recording] Comrade deputies. The 3d 7-Year Plan has set forth the militant goal of completely reclaiming 300,000 chongbo of tideland during the period of the new long-range plan to successfully attain the goal of 15 million tons of grain crops set forth at the Sixth Party Congress.

In attaining the goal of reclaiming 300,000 chongbo of tideland, our province is faced with a heavy but honorable task of building some 113,000 chongbo of tideland and of attaining some 60,000 chongbo of new farmland during the period of the new long-range plan.

The great leader, who has wisely organized and led the work of building tideland with the great plan of building the wide tideland on the west coast into an abundant paradise, a better place in which to live, personally assisted in [word indistinct] of the general plan of constructing internal

embarkments of the (Taegye) island tideland in March last year and, thus, gave a programmatic teaching on building a model farm on which rice can be planted.

Upholding the great leader's teaching we will fulfill the task of building tideland set forth by the new long-range plan without fail by effectively utilizing the firm material and technological foundations provided by the party and the state. The provincial Rural Economy Committee will concentrate major efforts on building internal embarkments of the tideland.

Based on the general blueprint of the construction of internal embarkments, we will concentrate the efforts of the [word indistinct] tideland embarkment construction station on building the (Taegye) island tideland and will also mobilize all bulldozers from the land development stations in all cities and counties in the province into the building of the island tideland. Thus, we will speed up the construction of the tideland by waging a lightning battle and an annihilation battle there.

By so doing, we will complete the construction of internal embarkments in the entire area of 5,300 chongbo of tideland by next spring so that rice farming can begin there soon. Following this, we will continue to speed up the construction of tideland reclamation and will complete the construction of internal embarkments of (?60,000) chongbo of tideland by 1993.

Once the construction of the Taecheon Power Plant, which is being accelerated according to the great leader's unique plan to develop new hydraulic electric power resources, has been completed, another most firm and powerful irrigation system, in which we can supply water flowing from the power plant after producing electricity to all tidelands in the province, will emerge.

To this end, we must build a large-scale waterway, like a canal, in the long distance covering 7 counties in the province from the Taecheon No 5 Power Plant to Cholsan and Myongju counties via Pakchon, Unchon, and Chongju counties.

By waging mighty political work among the masses to bestow firm faith and courage on them we will see to it that the irrigation construction station and the irrigation river construction station in the province carry out large-scale structural project construction and the irrigation management stations in cities and counties carry out small-scale structural project construction. Thus, we will give priority to structural project construction in the construction of waterways.

At the same time, after the autumn harvest this year we will carry out (?soil hauling) project by mobilizing excavators and other machines.

Thus, we will complete the first phase waterway construction by next spring to supply water to the (Changdo) tideland. By continuously accelerating the second phase waterway construction we will supply enough water to all tidelands in the province, including the (Kado) tideland.

We will also concentrate great efforts on correctly resolving the scientific and technological problems which arise in the farming of tidelands. We will see to it that the provincial Rural Economy Committee closely cooperates with the [word indistinct] and technical teams dispatched from the party in completing the construction of internal embankments of the tideland, establishes the automation and remote-controlling system in managing water, and study rice farming methods which are suitable for the peculiarities of the tideland.

Thus, we will increase rice production output in the farmland of the new tideland. We will increase rice production output to 8 to 10 tons per chongbo during the period of the new long-range plan.

We will train members of the cooperative farms in the tideland farmland to not only skillfully handle various farm machines, including tractors, trucks, and harvesters, but also become familiar with the chuche-oriented farm method in the tideland. Thus, we will foster them to become outstanding and modern farmers which can handle modern farm machines and know modern farming methods.

Along with this, by enhancing the role of the provincial tideland farm construction station we will outstandingly build modern and cultural rural dwelling houses and welfare facilities. Thus, we will build all villages in the tideland into a new utopia of communism.

In addition to concentrating efforts on the farming in the tideland, the province will stage a mass movement to obtain new farmland. During the period of the new long-range plan, we will not only obtain 10,000 chongbo of new farmland, but also assiduously handle and manage the existing farmland and thoroughly implement the chuche-oriented farm method.

By so doing, we will increase grain production of the province in 1993 by 1.7 times over the 2d 7-Year Plan period.

Thus, I firmly pledge to attain the target of 15 million tons of grains set forth by the Sixth Party Congress, to firmly establish the material and technological foundation for the complete victory of socialism, and, thus, to actively contribute to brilliantly implementing the lofty will of the great leader and the party to build communism. [applause] [end recording]

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N. KOREA/ECONOMY

SO CHAE-HONG SPA SPEECH ON SUNCHON COMPLEX

SK300207 Pyongyang Domestic Service in Korean 0637 GMT 22 Apr 87

[Speech by SPA Deputy So Chae-hong at the second session of the Eighth DPRK SPA held in Mansudae Assembly Hall on 21 April--read by announcer with portions recorded]

[Text] Deputy So Chae-hong stressed that the Sunchon vinalon complex, a large-scale comprehensive chemical industry base, which is now being built in Sunchon according to the farsighted plan of the great leader, is one of the most important construction projects to smoothly resolve the food, clothing, and housing problems of our people at a high level.

Noting that soldiers of the People's Army and construction workers engaged in the construction of the Sunchon vinalon complex have registered great success in only 1 year by displaying their infinite devotion and creative zeal and by accelerating the construction of the complex in a rapid speed, he continued: [Begin So recording] The militant task assigned to us is very heavy and arduous. However, because there are the wise leadership of the party and the leader, the firm foundation of the powerful and mighty self-reliant national economy, and the boundless might of soldiers of the People's Army and construction workers who are loyal to the party and the leader, there are no task that cannot be carried out and no fortress that cannot be occupied.

We will not only vigorously accelerate the improvement and expansion projects of all smokeless coal mines and limestone mines which will provide raw materials and fuel to Sunchon vinalon complex but will also concentrate our efforts of building raw material plants, carbide plants, and thermal power plants.

What is important in successfully building the Sunchon vinalon complex is not only to increase the construction speed of the complex to the maximum by upholding the revolutionary policy of the speed battle but also to guarantee its quality at the highest level.

We will epochally enhance the level of mechanization in construction work by firmly establishing the material and technological foundation of construction through the thorough implementation of our party's policy of industrialization of construction, by enhancing the ratio of prefabricated construction through

the use of large-size but lightweight prefabricated construction materials, and by further strengthening the technical provisions of construction projects.

Last year, scientists, technicians, and construction workers from the 17 February Scientist and Technician Shock Brigade engaged in the construction of the Sunchon vinalon complex achieved brilliant technical innovations of resolving more than 260 difficult and complicated scientific and technological problems in our own way and made scientific inventions. As a result, they were able to economize huge amount of funds and vast labor efforts, while they shortened by far the period of construction of the complex.

Based on the successes already attained, we will actively introduce advanced construction methods by vigorously carrying out the technological innovation movement, resolve scientific and technological problems which arise in construction projects in a timely manner, and wage the struggle to carry out construction more rapidly and more outstandingly with better labor, materials, and facilities. Thus, we will create a new higher speed in the construction of the vinalon complex.

Along with this, we will more properly build even a building in conformity with the party ideology on aesthetic construction and in our own style. We will devote our maximum efforts even in establishing small ornaments and in laying a pipe.

We will vigorously organize and coordinate the training of skilled workers needed in operating the complex. We will also thoroughly carry out the work of supplying raw materials and materials which are needed in operating the complex.

Our guidance functionaries will always mingle with construction workers and vigorously wage political work among them in order to successfully carry out the vast task assigned to us. At the same time, our guidance functionaries will conduct battle organization and command in conformity with the surging reality in the construction sites. Thus, our guidance functionaries will see to it that all battle sites seethe with zeal of loyalty, vigor of speed battle, and mass heroism.

Thus, we firmly pledge to actively contribute to brilliantly carrying out the great leader's plan and the party's intent to completely resolve the food, clothing, and housing problems of our people at a high level by building the Sunchon vinalon complex as another great monumental edifice of the era of the Workers' Party and by increasing production there. [applause] [end recording]

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CSO: 4110/136

## N. KOREA/ECONOMY

### SPA DEPUTY SPEAKS ON KIMCHAEK IRON, STEEL COMPLEX

SK010224 Pyongyang Domestic Service in Korean 0651 GMT 22 Apr 87

[Speech by SPA Deputy Son Kyong-to at the 22 April 2d-day meeting of the second session of Eighth DPRK SPA held in Mansudae Assembly Hall, Pyongyang--read by announcer]

[Text] During the 2d 7-Year Plan, our Kim Chaek Iron Complex not only renovated and expanded the steel production base, maintained and augmented the existing metallurgical facilities, modernized them, and further completed the divisional structure, thereby further enhancing the iron and steel goods production capacity, but built a strong material base capable of effecting greater production upsurges during the new long-range plan period.

The great leader, with deep insight into the position and importance of metal industry in the development of the people's economy, elucidated the clear direction and methods concerning the massive expansion of the Kim Chaek Iron Complex. He gave specific instructions from the designing to the building processes, and vigorously exercised his leadership so that the construction project for generations to come could be completed within the shortest period of time.

Our party gave the working class of the Kim Chaek Iron Complex great faith so that they could be leading runners, holding aloft the banner of the struggle to create the speed of the eighties, illuminated the road for the complex to follow, and vigorously led them to effect innovations in the production of the iron and steel goods by thoroughly impelmenting the teaching of the great leader Comrade Kim Il-song.

Faithfully upholding the leadership of the great leader and our party, the working class and the constructors of the Kim Chaek Iron Complex maintained and augmented the iron and steel production and rolling processes within a short period of time, renovated and expanded, in a modern way, and firmly built the Kim Chaek Iron Complex to be our country's leading large general metallurgical base.

The great leader Comrade Kim Il-song has taught: During the new long-range plan period, the key industrial sectors should improve the existing facilities of the plants and enterprises into more efficient and precise modern

facilities, increase the production capacity to the maximum degree, and massively build new modern plants and enterprises.

Pursuant to the lofty long-range target set forth by the great leader, our Kim Chaek Iron Complex has been entrusted with a heavy task to massively increase the production of pig iron, steel, rolled steel goods, and secondary metal processed goods during the 3d 7-Year Plan. To successfully carry out this target, we will continuously and thoroughly implement the party's will concerning strengthening the self-reliance and independence of metal industry.

We will further maintain and augment the new iron production base built under the great leader's wise leadership and the party's energetic guidance, and normalize its production at a high level. We will increase the production of galvanized plates and (?white) steel plates, and expand the production of steel goods of various specifications and secondary metal processed products by building workplaces, satisfactorily meeting the demand for them.

We will develop science and technology and vigorously conduct the technological innovation movement, thereby placing emphasis on solving the important scientific and technological problems arising in metallurgical processes. We will continuously modernize the metallurgical facilities and actively accelerate the work to modernize, automate, robotize, and computerize all processes.

The great leader Comrade Kim Il-song gave our enterprise on-the-spot guidance in July last year and set forth the steel production targets we must fulfill during the 3d 7-Year Plan period, clearly elucidating for us the specific tasks and methods to realize them.

Upholding the great leader's on-the-spot teaching, we will complete the ongoing second-stage expansion project and the singe furnace renovation and expansion project ahead of schedule, modernize the blast furnaces, and accelerate and complete rapidly the project to increase the capacity of the pipelines for transporting ore concentrates between Musan and Chongjin. At the same time, we will vigorously conduct the large-scale const ction project to further increase the steel production capacity to make it operational ahead of schedule.

The targets which our iron complex must attain during the new long-range plan period are very high. Nevertheless, the working class of the Kim Chaek Iron Complex is fully confident that they will be able to fulfill these targets set forth by the party and is accelerating the new march to carry out the 3d 7-Year Plan.

We will raise further aloft the party's militant slogan "We will carry out the ideological, technological, and cultural work as required by chuche," and boldly carry out the work in the manner of building the Sohae lockgate toward the new targets. By vigorously advancing forward, we will add greater luster to the era of the WPK.

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CSO: 4110/136

## N. KOREA/ECONOMY

### ANNUAL 1987 BUDGET PLANS, 1986 BUDGET REVIEWED

#### DPRK FINANCE MINISTER BUDGET REPORT TO SPA

SK240810 Pyongyang Domestic Service in Korean 0724 GMT 22 Apr 87

[Report by Yun Ki-chong, finance minister and SPA deputy, at the 2d-day morning session of the second meeting of the Eighth SPA--recorded]

[Text] Comrade deputies, under circumstances in which the entire country is seething with high political zeal, we are holding the second meeting of the Eighth SPA amid the deep interest of all the people.

The 3d 7-Year Plan set forth at the recent first meeting of the SPA to develop the people's economy of the DPRK was correctly formulated based on the strategic line for socialist economic construction and the complete victory of socialism--a strategic line set forth by the great leader Comrade Kim Il-song at the Sixth WPK plenary meeting and the first meeting of the Eighth SPA--opening an endlessly broad prospect for the future path of the Republic. We should financially and firmly guarantee the successful implementation of the 3d 7-Year Plan--a new magnificent blueprint for socialist construction--by correctly organizing and executing without fail the state budget--the basic financial plan of the country and a standard for the country's overall affairs.

Entrusted by the government of the Republic, I would like to report on the results of the execution of the DPRK state budget for 1986 and the state budget for 1987--the second agenda item of the present SPA session.

On the results of the execution of the state budget for 1986:

Comrade deputies, last year was a glorious year shining with events and results of epochal significance in developing our revolution and in our people's social and political life and was a worthwhile year of struggle that achieved a new and great victory in socialist economic construction.

The great leader Comrade Kim Il-song has taught: Vigorously forging ahead with socialist economic construction is the important function of a socialist country.

While solidifying the results attained in implementing the 2d 7-Year Plan for developing the people's economy, the government of the Republic, under the



leadership of our party, last year vigorously organized and mobilized our people to successfully perform the task of the adjustment period--the task of solidly making preparations to achieve the new long-range goal.

By vigorously waging a labor struggle on battlegrounds of socialist construction under the banner of the chuche idea, all workers, including our working class, who are endlessly loyal and faithful to the party and the leader, last year successfully made preparations to further strengthen the foundation of the self-reliant socialist people's economy and achieve the magnificent goal of the 3d 7-Year Plan by brilliantly accomplishing the vast tasks of economic construction set forth by the party and the government of the Republic. [applause]

Last year the state budget was successfully executed as a result of a new production upsurge in all sectors of the people's economy and as a result of the further strengthening of the foundation of the country's self-reliant finances. The revenue of the state budget last year was 28.5385 billion won, overfulfilling the plan by 100.2 percent. This implies that the revenue of the state budget last year increased by 100.4 percent compared with the previous year. The expenditure of the state budget last year was 28.3961 billion won, showing the results of implementation of the plan to be 99.7 percent, an increase of 103.9 percent compared with 1985.

Thus, the state budget last year was successfully executed with an excess of revenue against expenditure, amounting to 142.4 million won, after financially and smoothly supporting the government's policies for socialist economic and cultural constructions and for increasing the people's welfare. This brilliant result was the fruition of the great leader Comrade Kim Il-song's delineation of the direction and method for increasing the financial revenue of the country and of his wise leadership in the effort to thoroughly achieve this end. This result was also the brilliant fruition of our party's chuche-type policy for continuously increasing financial revenue based on strengthening our domestic financial foundation. [applause]

Last year a majority of the revenue of the state budget in our country came from the work of internally enriching industries. As a result of the vigorous struggle to improve the management of enterprises and to produce goods and economize on materials by positively finding internal reserves, the revenue of the state budget in the industry remarkably increased by 105 percent over 1985.

A large number of new and modern plants, enterprises, and work sites were inaugurated as a result of the work of positively forging ahead with industrial construction designed to expand and strengthen the country's economic foundation, and many industrial complexes, plants, and enterprises greatly overfulfilled the plan for revenue for the state budget as a result of the industrial complexes' high demonstration of their vitality. Thus, the country's financial revenue rapidly increased as a whole. In particular, the ranks of the work sites and teams of daily necessities, domestic work teams, industrial teams, and domestic service personnel further expanded as a result

of the vigorous 3 August struggle to produce the people's consumer goods under the wise leadership of our party, and the sale of the people's consumer goods through direct-sale stores greatly increased. Thus, the country's financial revenue from such sales greatly increased.

By displaying a lofty sense of responsibility and creativeness, many cities and counties, including Kumya County, South Hamgyong Province; Pyongyang, epochally increased the revenue of the local budget by positively learning from local instances and by further developing local industries and service work for the people. Thus, the plan for revenue of the local budget was successfully implemented. As a result, last year provinces, cities, and counties donated a huge sum of money, amounting to 683.7 million won, to the government after smoothly and independently meeting the demand for funds required for economic and cultural development in local areas. This clearly demonstrates the superiority and vast vitality of our country's local budgetary system capable of helping all functionaries in local areas increase the revenue of the local budget and accelerate the country's overall socialist construction and economic and cultural development in local areas by displaying a lofty sense of responsibility and creativeness with an attitude worthy of masters of state affairs. [applause]

The tax system was completely abolished in our country a long time ago. In addition, our country has helped cooperative farms spend all of their incomes to strengthen and develop cooperative ownership and improve the peasant's standard of living, without donating even a penny to the government. Despite this, our country has provided a certain financial reserve after smoothly supplying the huge amount of funds required for the revolution and construction by systematically increasing the revenue of the state budget every year. This directly shows the might of our chuche-type self-reliant industry and the matchlessly solid nature of our country's financial foundation.

The government of the Republic has correctly guaranteed the expenditure of the state budget thoroughly according to the financial policy and line--the basic direction of development of the people's economy last year set forth by our party. Last year the government of the Republic, above all, increased the expenditure of funds for the people's economy by 105.6 percent compared with the previous year to vigorously accelerate the construction of important projects of epochal significance in rapidly developing the country's economy and in much more smoothly resolving questions concerning food, clothing, and shelter for the people and to firmly solidify material and technological foundations to implement the new long-range plan. Last year the country's energy, raw material, and fuel bases were expanded and strengthened and chuche-type steel bases were consolidated in a much more solid manner as a result of the construction of power stations in a full-fledged manner and as a result of the acceleration of the expansion of collieries, mines, and metallurgical plants by supplying a huge amount of state funds to the power, extraction, and metallurgical sectors according to the party's policy of concentrating on developing these sectors.

In particular, concentrating state investment and construction forces on building power stations, the government of the Republic vigorously accelerated the construction of the Panpyong and Mapyong dams at the Taechon power station and the construction of the Paek-ri waterway and successfully carried out the construction of the Sunchon thermal power station. At the same time, it successfully built new lockgate power stations, including the Sunchon and Songsan lockgate power stations.

A vast amount of funds was supplied last year from the state budget to the machine, chemical, and building materials sectors to rapidly develop them.

According to the great leader Comrade Kim Il-song's farsighted plan, the government of the Republic increased state investment in the chemical industrial sector by 140 percent over the previous year and vigorously accelerated the construction of the Sunchon vinalon industrial complex, which had the capacity of 100,000 tons, and the Sariwon potash fertilizer industrial complex.

By successfully carrying out many difficult construction projects in the construction of the Sunchon vinalon industrial complex by highly displaying the fighting revolutionary spirit of self-reliance and mass heroism, soldiers of our People's Army and construction workers, who are endlessly loyal and faithful to the party, successfully achieved a breakthrough to quickly complete this large-scale construction project.

Last year the foundation of the building materials industry was much more firmly solidified as a result of the successful construction of large Chamun cement plant, as a result of the successful construction of modern silicate brick plants in Anju, Pihyon, and Hamhung, and as a result of the acceleration of the work expanding the capability to produce magnesium clinker in the Tanchon and Taehung districts.

Last year the government of the Republic increased the expenditure of the state budget for light industry and fisheries by 17.3 percent over 1985. Thus, it much more satisfactorily maintained and augmented existing light industry plants, built many modern light industry plants--including furniture, clothing processing, and daily necessities plants--at various places, and further strengthened the material and technological foundations of fisheries.

Last year the government of the Republic increased investment in the rural economic sector by 1.2 times compared with 1985 and helped positively build rural areas.

Thanks to the devoted labor struggle of all the agricultural workers and those who volunteered to support rural areas, last year the 150-ri waterway construction work project in the Sunchon District designed to draw water to the Sohae lockgate, the construction of dams along the Taedong and Chaerying rivers, and drainage work were vigorously carried out. The results of irrigation work were further expanded and strengthened as a result of the

maintenance and augmentation of existing irrigation facilities in various areas in a much more satisfactory manner.

In addition, land adjustment and amelioration work was extensively carried out, and with vigorous support from the working class, large quantities of various efficient farming machine tools, including tractors, chemical fertilizer and pest control agents were supplied to rural areas. Thus, the comprehensive mechanization and chemicalization of the rural economy were further accelerated.

While overcoming unfavorable natural weather conditions, last year all the agricultural workers once again attained great results in agricultural production by accelerating the technological revolution in the rural areas, following the road indicated by the thesis on the socialist rural questions in our country, and successfully carrying out from work according to the requirements of the *chuche* farming method.

Last year the government of the Republic appropriated a huge amount of funds for the reclamation of 300,000 *chongbo* of tidelands and for the construction of the Sohae lockgate, which were carried out according to the great leader's farsighted plan for remodeling great nature.

By our courageous tideland reclamation workers, the Ungdo tideland reclamation work was brilliantly completed, encompassing the broad area from Kumsanpo in Unyul County to the sea in front of Wolsa-ri, Kwail County, thus creating 3,200 *chongbo* of land. Tideland reclamation work was successfully carried out in the west coastal area last year, including completion of the last-stage work of reclaiming 2,600 *chongbo* of Changdo tideland on the sea along Kwaksan, North Pyongan Province.

Under the leadership of our party, last year heroic KPA soldiers successfully completed the Sohae lockgate, a great monumental edifice in the era of the workers party. The construction of the Sohae lockgate, a matchlessly vast work of remodeling nature, over a short period of time by our own effort was a great event in demonstrating the inexhaustible creative power of our people, who if called upon by the party, struggle in defiance of water and fire, believing in the immortal *chuche* idea, and the might of our country's self-reliant socialist economy, and was a most proud result that fully demonstrated the dignified appearance and wisdom of *chuche* Korea. [applause]

By increasing expenditure for the transportation sector over the previous year, last year the state budget further strengthened the material and technological foundations of the railway transportation sector and greatly increased the capabilities of ship and vehicle transportation.

Last year the government of the Republic smoothly provided the conditions for scientific research by increasing expenditure for developing science and technology 30 percent over the previous year according to the decision of the 11th plenary meeting of the Sixth Party Central Committee, thus helping vigorously forge ahead with the technological revolution. Last year our

scientists, technicians, and workers in the industrial sector advanced more than 64,500 valuable scientific inventions, creative devices, and suggestions for rationalization, which marked a great increase over 1985, entertaining the passionate feeling of endless loyalty to the party and displaying highly creative positiveness and wisdom. Thus, they positively contributed to developing science and technology in the country and to accelerating the work of making the people's economy chuche-oriented, modern, and scientific.

Last year the government of the Republic appropriated 14 percent of the total expenditure of the state budget for national defense to thoroughly implement our party's self-defending military line and to further strengthen the country's defensive power to cope with the strained situation, which became even more acute due to the indiscreet maneuvers of the U.S. imperialists and the Chon Tu-hwan puppet clique to provoke a war.

According to our party's policy, last year the government of the Republic increased expenditure for the social and cultural sectors by 102 percent over 1985 and carried out a series of additional policies to increase the people's standard of living. Six new universities emerged last year with the government bearing a large amount of the financial burden; schools at all levels were much more successfully furnished with modern education facilities and equipment; and therapeutical and preventive medical facilities increased, including the construction of a modern hospital in Pyongyang thanks to the patriotism displayed by compatriot Kim Man-yu.

Thanks to the creative labor struggle of construction workers in the capital, last year the second-stage construction of Pukse and Chollima streets, modern residential streets in Pyongyang, was successfully carried out to its final phase. According to our party's plan, the construction of Kwangbok street was successfully carried out.

Last year more than 2,100 households moved into new housing with the emergence of a modern city for coal miners in Kumgol, in the Komdok District, and excellent modern houses were built at the Unhae cooperative farm in Unpyong County for nearly 500 households. A large number of residential houses and cultural service facilities were built in cities, workers' districts, and rural areas throughout the country. As a result, housing conditions were improved for workers, and streets and villages were beautified in a much more satisfactory manner.

Thanks to the kind consideration shown by our party for the growing new generation, the benevolent policy of once again, simultaneously supplying good quality clothing and various foodstuffs free of charge to all the children and students--who constitute half the population--attending schools, ranging from the people's schools to universities, was implemented last year. Through this benevolent policy for all the students in cities and rural areas, last year our people received an additional favor, which amounted to several million won, from the government.

The word school tuition disappeared a long time ago in our country where a comprehensive compulsory education system has been enforced thanks to the great consideration shown by our party. The government is in charge of all the financial burdens for the construction of school buildings, for the management of schools, for the supply of education equipment and materials, and for students' extracurricular lessons and activities, including laboratory work, observatory excursions, and camping.

With a huge sum of funds supplied by the government, medical facilities, including modern hospitals, clinics, and sanatoria, have been built and operated everywhere people live and work in our country, where a comprehensive and complete free medicare system has been enforced. Expenditures for doctors' visit to patients outside the hospital, for outpatient treatment, for treatment for hospitalized patients, for surgical operations, for medicines, and for food during hospitalization are all free of charge. The government is in charge of living expenses during hospitalization. A special consideration has been shown to protect and increase the health of women and children.

In accordance with the law on the nurture and indoctrination of children provided by the great leader, since their birth, children have been brought up in a happy manner at nurseries and kindergartens with financial burdens shouldered by the government and society. Under the ray of the thesis on socialist education, all the people receive school education free of charge. Everyone enjoys a long life without contracting diseases, favored by the public health law for the people. This is the true appearance of our country today.

By appropriating several billion won of funds, last year the state budget financially helped smoothly implement various people-minded and communist-type policies, which have been systematized in our country. All the people-minded and communist-type policies, which our people enjoy today, have been provided through the great favor and careful consideration provided and shown by the respected and beloved leader and our party, who has deeply understood the people's desire and has unsparingly devoted everything to the cause of helping our people equally enjoy a happy life. [applause]

The brilliant successes attained in executing the state budget last year once again clearly prove that our country's state budget is a budget for building a self-reliant economy to financially guarantee the prosperity of the country and to bring about a continuous upsurge in socialist economic construction, and is a true people-minded budget that systematically increases the material and cultural welfare of our people. [applause]

All the proud successes attained last year in socialist economic construction and in executing the state budget were the results of the wise leadership of the great leader Comrade Kim Il-song, who has always led our people along the single road of victory and glory, and were the brilliant fruition of our party's unique financial policy. [applause]

On the state budget for 1987:

Comrade deputies, the year 1987 is the most festive and significant year in the history of our fatherland and is a worthwhile year of performing the task of the 1st year of the 3d 7-Year Plan for developing the people's economy, a magnificent program for socialist construction in our country.

The great leader Comrade Kim Il-song has taught: What is important in implementing the 3d 7-Year Plan is to successfully implement the plan for the people's economy this year, the first year of the plan.

Correctly organizing and executing the state budget this year is highly significant in achieving a magnificent program for attaining the complete victory of socialism--the task set forth by the great leader Comrade Kim Il-song in his historic policy speech--and in achieving a breakthrough to attain the high goals of the 3d 7-Year Plan.

In accordance with our party's policy, the state budget for 1987 has been correctly organized to lay a firm foundation for implementing the 3d 7-Year Plan by rapidly developing the primary industrial sectors, such as the fuel and energy industrial sectors, and by concentrating on the construction of important projects, and to financially and smoothly guarantee the work of improving the people's standard of living.

The total state revenue and expenditure for 1987 are set at 30,307.8 billion won, respectively. Thus, the revenue of the state budget for this year will increase by 106.2 percent and the expenditure by 106.7 percent as compared with last year.

It is the consistent policy of our party to increase the source of revenue of the budget to comply with the people-minded nature of the socialist state budget. In accordance with the party's policy, we will guarantee the strong point of the revenue of the state budget by rapidly increasing the internal accumulation [naebuchukjok] of the people's economy, especially the internal accumulation of industry--the basic source of the revenue of the budget in our country.

All the industrial sectors will increase the revenue of the state budget this year in the industrial sector by 107.4 percent as compared with last year by operating existing plants and enterprises at full capacity, by normalizing production at a high level, and by strengthening the struggle to economize on materials. In particular, the light industry takes the largest share of the revenue of the state budget in our country.

This year we will increase the revenue of the state budget and supply larger quantities of daily necessities to the people by epochally increasing the production of various people's consumer goods by much more greatly concentrating on developing the light industry. At the same time, the government will further expand the source of the revenue of the budget by accelerating and completing the construction of plants and enterprises, which

will be inaugurated anew this year, and by placing production on the right track. Thus, under circumstances in which all industrial sectors will greatly increase the funds that they will donate to the state budget, plants and enterprises will save a larger sum of funds as compared with last year, such as funds for their own economies, funds for their own primary construction, funds for developing their own science and technology, funds for maintaining their own equipment, and funds for enterprises.

Thus, the plan for the revenue of the state budget for this year is a practical and flexible plan that has been firmly guaranteed by the firm foundation of our country's self-reliant socialist people's economy, the core of which is the chuche-type industry, and by the creative zeal of workers, who have risen in an all-out advance movement to implement the new long-range plan. [applause]

This year's state budget envisages the expenditure of state funds in various sectors of socialist economic construction in a rational manner to bring about a high production upsurge in all sectors of the people's economy thoroughly in accordance with our party's policy and to further improve the people's standard of living.

What occupies the most important position in the expenditure of the state budget is the expenditure for the people's economy. In order to successfully accomplish the task of the 1st year of the 3d 7-Year Plan, the government of the Republic will increase the expenditure of funds for the people's economy this year by 107.3 percent as compared with last year. The government of the Republic envisages that a large share of these funds will be appropriated for primary construction designed to expand and strengthen the country's economic foundation.

In order to further solidify the foundation of the chuche industry first of all, this year the government will increase investment in the construction of industry by 108.6 percent as compared with the previous year.

In order to successfully achieve important goals in the primary industrial sector, the state budget envisages that this year the government will increase investment by 110.5 percent in the power industrial sector, by 108 percent in the extractive industrial sector, and by 109.1 percent in the metallurgical industrial sector as compared with last year. Thus, the government will expand and strengthen the country's energy, fuel, raw materials, and steel production bases by building hydraulic and thermal power stations, including Taechon and Kungangsan power stations and the Sunchon and December thermal power stations, by carrying out the work of rebuilding and expanding collieries and mines on a full-fledged scale, and by positively forging ahead with the second stage work of expanding the Kim Chaek steel industrial complex and with the construction work of making the metallurgical industry chuche oriented.

In accordance with the great leader's farsighted plan, this year the government of the Republic will increase state primary construction investment



in the chemical industrial sector for the construction of important projects, such as the construction of the Sunchon vinalon industrial complex, which is being vigorously built, the Sariwon potash fertilizer industrial complex, and the Sunchon sodium carbonate plant, by 1.2 times as compared with last year. Thus, the government will financially guarantee to the maximum the construction of new modern and large chemical industrial facilities, which are of epochal significance in strengthening the economic might of the country, especially in much more smoothly resolving matters concerning clothing, food, and shelter for the people.

In order to much more vigorously accelerate the modernization of the people's economy in accordance with the basic task of the 3d 7-Year Plan, the government of the Republic will continuously concentrate on the machine industrial sector. By increasing state primary construction investment in the machine industrial sector by 1.1 times as compared with last year, the government will establish new work sites at existing machine plants, including the Sungni vehicle plant, the Nagwon machine industrial complex, and the Tae'an heavy machine industrial complex. At the same time, the government will establish electronic and automation industry bases.

Rapidly developing light industry and fisheries is the most important task of socialist economic construction this year. This year the government of the Republic will increase the appropriation of funds for the light industrial sector by 105 percent as compared with the previous year to greatly increase the production of people's consumer goods by accelerating the light industrial revolution, to supply raw materials to starch and food plants in provinces, and to epochally increase the production of various processed foods.

By appropriating a large sum of funds to the fisheries sector, the government will increase various fishing ships, including large fishing ships, will reinforce wharfs and breakwaters, and will greatly increase the area of nurseries along shores. Thus, the government will strengthen the material and technological foundation of the fisheries.

Thus, the might of the chuche industry will be further strengthened this year as a result of the expansion of the country's primary industry bases and as a result of consolidating the foundations of light industry and the fisheries in a much more solid manner, making great strides forward in implementing the 3d 7-Year Plan. [applause]

This year the state budget envisages the further increase of the expenditure of funds for the rural economic sector to strengthen the material and technological foundation of the rural economy and to bring about a new upsurge in agricultural production. The government will increase state primary construction investment in the agricultural sector by 106 percent as compared with the previous year to perform the tasks of carrying out the technological revolution in the rural areas and of building the rural areas--the tasks set forth in the thesis on the rural questions in our country. Thus, the government will smoothly and financially guarantee the task of mechanizing and chemicalizing the rural economy and of introducing an irrigation system into

it--the task which is scheduled to be performed this year--and will accelerate the work of industrializing agriculture.

In particular, this year the government of the Republic will continuously and vigorously forge ahead with the reclamation of 300,000 chongbo of tidelands. In order to expand the results of irrigation work, the government will support large-scale state investment in primary construction projects, which will increase by 108.2 percent as compared with last year. At the same time, this year the state budget will much more rapidly develop agricultural production as a whole by increasing the expenditure of funds for various agricultural work designed to strengthen support to the rural economic sector from various sectors of the people's economy.

All agricultural workers should bring about a new upsurge in agricultural production by vigorously struggling to much more successfully carry out farm work through their own efforts under the slogan set forth by the party, "The paddy field of the farm is mine," and by carrying out farm work in a scientific and technological manner in accordance with the chuche farming method.

This year the government of the Republic will appropriate a large sum of funds to the transportation sector to rapidly develop transportation.

In particular, this year the state will further increase state investment in railroad construction to vigorously push ahead with the building of the northern railroad, newly electrify many sections of railroad track, repair and expand railroad plants and repair bases for general transportation means, and further enhance railroad transportation capabilities.

This year, the Republic's government will further increase appropriations in the state budget for the purpose of rapidly developing the nation's science and technology according to the basic tasks in the 3d 7-Year Plan.

First of all, this year the state expects to set aside a vast amount of state funds to technically rebuild existing facilities and production processes in various domains of the national economy and to actively realize the general mechanization, automation, robotization, and computerization of production.

In particular, the state will see to it that new temporary pilot plants are built in number, strengthen the production bases of scientific test facilities and equipment, and improve the condition for research projects so as to expand the successes of scientific research projects by increasing this year's expenditures for scientific and technological development by 21.5 percent as compared to those of last year while overseeing the broad introduction of new scientific inventions, creative contrivances, and ideas about technological renovations into production.

To accelerate socialist cultural construction this year and further promote the welfare for the working people, this year the state plans to further increase expenditures for socialist culture and housing.

In this year's budget, the state will increase expenditures for educational projects by 5.8 percent, expenditures for cultural projects by 2 percent, and expenditures for public health by 6.5 percent respectively, as compared to those of last year. In this way the state will further develop education for posterity, culture, the arts, and public health work by furnishing schools of various types with better educational conditions, including providing them with modern educational facilities and test and experimental (?equipment), and by organizing more of cultural and public health facilities of various types, according to the realistic demands of socialist construction.

Also, in this year's budget the state will appropriate an enormous amount of funds to smoothly continue the enforcement of communist [kongsanjuijok] policies of various descriptions being enacted in our country, including the system of medical care free of charge, the free education system, the system of raising and educating children at state expense, and the system of supplying people with food and fuel at the expense of the state.

This year we will push ahead with the construction of some 260 sports facilities and cultural and public service facilities, including some 20,000 high rise dwellings being vigorously built according to our party's plans, the construction of Kwangbok Street, which includes various monumental edifices, such as the children's palace of culture and the acrobatic theater, the construction of a sport village equipped with sports facilities such as sports halls of various kinds and large-scale open door sports facilities to be built in areas adjoining Kwangbok Street, the construction of Nungnado stadium with seating capacity of 150,000, Yanggakdo soccer field, new big theaters, and youth halls.

With warm and boundless loyalty to the party, our heroic KPA soldiers and capital construction workers will not only turn Pyongyang, the revolutionary capital, into a more stately and splendid modern city by basically completing the vast construction projects before the end of this year through their collective renovations, but they will also make good preparations for the 13th World Youth Festival and for the North and South of Korea to cohost the 24th Olympiad.

Local budgets are an important component of the state budget. To accelerate the development of the local economy and culture and to run local affairs of all sorts well, it is imperative to set up a local budget and execute it in a correct manner by thoroughly implementing our party's unique policy governing the local budget.

The revenue of the local budget this year, estimated at 4,185 million won, is expected to be increased by 10 percent as compared to that of last year, and expenditures for the local budget this year, estimated at 3,427 million won, is expected to be increased by 9.8 percent as compared to that of last year, respectively.

All local governing organs should balance revenues and expenditures on their own and earn more money for the state coffers by uniformly adhering to the

economic construction, cultural construction, and public service work in the areas and units concerned and by responsibly and creatively running the local economy according to the demands of the state and in the interest of the people, upholding the great leader Comrade Kim Il-song's historic policy speech.

Important in correctly realizing the local budget system is to increase the revenue of the local budget. By thoroughly implementing the tasks of economic construction given to the province concerned by the great leader, the local districts should organize raw material bases of their own in a superb manner, strengthen the buying work, and normalize the local industrial output at a high level by developing local trade. Also, all the local districts should organize construction networks well, actively conduct public service activities by guaranteeing the smooth supply of necessary facilities and raw materials, and actively conduct various types of social food supply work and service work by actively locating inner reserves according to their available conditions.

In realizing the local budget system as dictated by our party's policy, it is imperative to assume as an important goal to not only earn more money, but also to smoothly supply what is necessary for the local residents' living on their own.

Local governing organs should realign and expand the local industrial enterprises, vigorously push ahead with the building of dwellings, and substantially organize educational institutes and public health facilities, including municipal and county people's hospitals, in a modern way, so as to provide the people with convenience that ease their living in a way that effectively uses the money earned by the people for them, not to mention the need to increase the revenue of the local budget in various ways.

This year marks the 30th anniversary of the great leader Comrade Kim Il-song beginning to send educational aid and scholarships for the children of the Japan-resident Korean compatriots for the first time. Since such a difficult postwar period as 1957 up until now, the great leader has sent such a vast amount of educational aid and scholarship on 104 occasions, worth Y38,287,950,000 in Japanese currency, for the democratic national education of the children of the Japan-resident Korean compatriots. [applause]

Thanks to the noble will and great consideration of the respected and beloved leader, who is determined to rear the children of the Japan-resident Korean compatriots who were born and raised in a tough foreign land, as the credible able-bodied workers to shoulder the future of the fatherland, the Republic's government will be sending a large amount of educational aid and scholarships for the children of the Japan-resident Korean compatriots. [applause]

This warm love and consideration repeatedly shown by the great leader will be of great assistance to developing the democratic national education for the children of the Korean compatriots in Japan. In addition, they will endlessly

encourage the compatriotic works of the 700,000-strong Korean compatriots in Japan. [applause]

Under circumstances in which the schemes of the U.S. imperialists occupying South Korea to invade the northern half of the Republic and provoke a new war are becoming intense with the passage of time, this year the Republic's government will set aside 13.8 percent of the total outlay of state budget for defense expenditures to firmly defend the socialist fatherland and the security of our people.

This year's state budget is an independent and solid economic construction budget which balances revenues and expenditures, and accumulation and consumption with its own financial resources and thus firmly financially bolster the implementation of the 1st year's tasks of the 3d 7-Year Plan based on the financial policy of our party and the Republic's government as well as on the socialist economic construction tasks. It is also a people-minded budget correctly set up so as to further promote the material and cultural welfare for the people. [applause]

#### On the Tasks Designed to Successfully Execute This Year's Budget

Comrade deputies, the successful execution of this year's state budget is an honorable and rewarding revolutionary task designed to produce an initial breakthrough toward realizing the long-range goals of the 3d 7-Year Plan, to achieve a giant advance in laying firm material and technical foundation for complete victory of socialism, and consolidate the revolutionary base in the Republic more firmly, politically, economically, and militarily.

The great leader Comrade Kim Il-song has taught: When it comes to socialist economic management, it is very important to see to it that the state budget be executed in a correct way.

Upholding our party's militant call for the entire population in the country to rise in the struggle to implement the new long-range plans in one mind, we should execute this year's state budget in a correct manner by effecting new upsurges in all domains of socialist construction.

The most important thing in executing the state budget is for the functionaries of all organs and enterprises to arm themselves firmly with our party's financial policy and establish a thorough revolutionary tradition of implementing the financial policy to the end by displaying boundless devotion. By deeply studying the great leader Comrade Kim Il-song's ideas on socialist financial management and its embodiment, our party's financial policy, and by assuming it as the one and only guide in all work, all of our functionaries should fully display their endless loyalty to the party and leader through their activities of translating financial management into action by thoroughly embodying the great leader's teachings and our party's intent in the field of financial management.

By strengthening indoctrination on the chuche idea and on the party policy among the functionaries and working people and by making them actively emulate the revolutionary housekeeping trait of the anti-Japanese guerrillas and the examples set by the unsung heroes, all organs and enterprises should see to it that everybody runs the national economy meticulously and assiduously with single-minded loyalty to the party and leder, in whatever work he may be engaged.

The state budget is a state law which defines the national economy as a whole and, therefore, the correct execution of the state budget is a sacred duty facing all organs and enterprises.

Functionaries in all domains, organs, and enterprises of the national economy, out of a high degree of responsibility that they are the direct executioners of the state budget, should reform economic management and management activities without letup and smoothly financially guarantee the all-out march of the working people for effecting new upsurges in socialist economic construction through increasing revenue for the budget and the execution of the state budget without deviation by displaying a high degree of the revolutionary spirit of self-reliance.

To correctly execute the state budget for this year, it is imperative to mobilize inner reserves to the fullest extent and stage a vigorous struggle to conserve and increase production. The complete elimination of waste, an extreme form of frugal use of things available, and producing more and building more by locating reserves as much as possible are the principles that must be adhered to in socialist economic construction.

If the mighty foundations of the national economy created under the wise leadership of our party are effectively utilized, the national economy can run meticulously, the conservation struggle intensified, more can be produced and built, and the standard of the people's living can be improved far more than it is now, and the state budget can be successfully executed by increasing the inner accumulation of the national economy.

All domains and units of the national economy should more actively engage themselves in the struggle to produce more and build more and do them better with available labor, available facilities, available materials, and available funds by extremely frugally using even a watt-hour electricity, a gram of coal, a piece of metal, a piece of wood, and a drop of oil, and first of all, by conserving labor, one of the nation's most valuable resources, as much as possible, and mobilizing and utilizing all hidden reserves.

Vigorously launching a mass technological renovation movement is an important way of mobilizing the conservation reserves, and the greatest reserve concerning the execution of the state budget lies in renovating technology without letup. All domains and units of the national economy should see to it that working people produce valuable scientific inventions and ideas about technological renovations that can positively contribute to developing the nation's science and technology, to increasing production, and achieving the

economization of materials by making the working people vigorously stage the mass technological renovation movement.

To reform the economic guidance and management of enterprises is an important guarantor designed to effect upsurges in socialist economic construction and conserve and increase production by locating inner reserves.

By thoroughly defending and safeguarding the unique chuche-oriented the socialist economic management system created by our party and by fully displaying its superiority in economic guidance and industrial management, all guiding functionaries should see to it that greater upsurges be effected in production and construction.

All domains, plants, and enterprises of the national economy should manage finances based thoroughly on the Tae'an work method, conduct management activities based on precise profits, calculations, and statistics, and correctly execute the state budget by scientifically and reasonably managing and running the economy through the correct use of economic means of various kinds.

To scientifically and reasonably manage and run the socialist economy, it is imperative for the plants and enterprises to correctly practice the independent accounting system. The great leader Comrade Kim Il-song has taught that correct practice of the independent accounting system means that enterprises should strengthen deliberate guidance and control; conserve labor, materials, and funds; reduce all nonproductive expenditures; and guarantee enterprises' profits by reasonably mobilizing the inner reserves for production.

All domains, plants, and enterprises of the national economy should responsibly and creatively conduct economic management activities on their own, while strictly observing the state's unified deliberate management principles, overfulfill the state plans qualitatively and quantitatively by mobilizing inner reserves to the fullest extent, and, in particular, lower the cost and do accounts well so as to make more profit for the state.

All plants and enterprises, including the complexes, should stimulate production and endlessly rationalize enterprise management by correctly defining such technological and economic standards as labor quotas and standards of material consumption by establishing a strict calculation system, by correctly judging the executed plans, and by correctly embodying the principle of socialist distribution.

To correctly execute this year's state budget, it is imperative to enhance the sense of responsibility and role of the local administrative and economic organs. Today all cities and counties are vigorously engaged in the movement to create a model county concerning the local budget movement launched by our party by adhering to the local budget system, whose vitality has already been proven.

All municipal and county administrative and economic organs should endlessly increase the sources of revenue of the local budget by fully mobilizing the reserves and potentials available in the local districts and by running all sorts of economic activities meticulously and assiduously, and then should strive to be honored with the title of model county of the local budget system by accelerating the development of the local economy and culture and by improving the standard of the people's living furthermore.

To correctly execute this year's state budget, it is imperative to strictly observe the principle of the unitary financial management system and strengthen financial control and discipline. The unitary financial management system is a financial management system indispensable in a socialist society which eliminates subjectism, local departmentalism, and provincialism in financial work, establishes thorough financial discipline, and then effectively uses all the financial resources in the country according to the demands of the state and in the interest of the people by uniformly controlling the financial resources.

All functionaries should handle the people's money and state property based strictly on the state budget and state financial regulations annually adopted as statutes by thoroughly observing the unitary financial management system, and should see to it that such a phenomenon of lacking discipline as an act of arbitrarily using even a penny or squandering the valuable state property and finance will not emerge.

Functionaries of the financial sectors should correctly execute the state budget according to the unitary financial management system with the conviction that they are the masters of the national economy, establish a stern system and order in financial management, and strengthen the work of financial inspection and control so as to make the organs, enterprises, and every individual observe financial discipline without exception.

All state organs, enterprises, and cooperative organizations should thoroughly embody the mass line in financial management, in particular, strengthen the system of daily evaluation of production and financial summing-up created by our party, and see to it that the financial management system is further improved by normally and substantively conducting biweekly, monthly, and quarterly financial summing-up by closely linking it to production summing-up with the active participation of the producing masses.

By emulating the great leader's work style, all guiding functionaries should see to it that the flames of the great upsurge fiercely spread throughout the country by going deep into the masses and always giving priority to political work, work among the people, and overfulfill the vast economic construction for this year and successfully execute the state budget by organizing and supervising political and organizational work in accordance with the surging spirit of the masses.

All functionaries and the entire working people should more vigorously carry out the movement to win the red flag of the three revolutions put forward by



our party under the banner of the three revolutions--ideological, technological, and cultural--and effect new upsurges on all fronts of socialist construction by vigorously accelerating the march of the eighties in the manner of building the Sohae lockgate.

While keenly watching the reckless schemes of the U.S. imperialists and their lackeys to provoke a war with a high degree of vigilance, all the people in the country should work and live militantly on a constantly alert and mobilized posture.

Our people, who are bravely advancing with greater hope for the trust in the future under the leadership of our party, will decorate this year, 1987, the 1st year of the 3d 7-Year Plan, as the most shining year in honest national annals by achieving proud victories in this year's rewarding combat.  
[applause]

All of us should vigorously advance, struggling to hasten the complete victory of socialism and the independent reunification of the country by rallying rock-solidly around the WPK Central Committee led by the respected and beloved Comrade Kim Il-song [kyongaehanun Kim Il-song tongji] under the revolutionary banner of the chuche idea. [applause]

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N. KOREA/ECONOMY

CHONG CHUN-KI ON 1986 BUDGET REVIEW

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[Speech by Chong Chun-ki, SPA deputy and vice premier of the DPRK Administration Council, at the second session of the Eighth DPRK SPA held in Mansudae Assembly Hall on 22 April--read by announcer with portions recorded]

[Text] [Begin Chon recording] Comrade deputies, recognizing the 1986 state budget put on the table for review during this session to have been brilliantly settled by embodying our party's economic construction policy as put forward by the great leader Comrade Kim Il-song in his New Year message last year and recognizing the 1987 state budget to have been correctly compiled so as to expedite the complete victory of socialism by upholding the great leader's historic policy speech and to financially ensure our people's struggle for the 1st-year tasks of the magnificent 3d 7-Year Plan, I fully support and agree with them. [applause]

Last year the state budget was successfully settled with great financial reserves, even after having financially ensured the realization of various state policies for socialist economic and cultural construction and promotion of the people's welfare. This is a brilliant victory of the chuche-oriented financial construction line advanced by the great leader Comrade Kim Il-song and a vigorous demonstration of the firmness and great vitality of our nation's state budget based on the solid self-reliant national economy. [applause]

Last year, under the wise leadership of the great leader and our party, the government of the Republic disbursed a large amount of money, almost several billion won, for communist policies to promote the people's material and cultural welfare, even while directing great portions of the budgetary funds to economic construction.

The great leader Comrade Kim Il-song has taught: We should implement communist policies gradually, one by one, according to available conditions.

Based on profound scientific analysis of the characteristic nature of socialist society, the great leader advanced the idea that the course of building and completing socialism is the course over which the communist

nature is being intensified and transitional characteristics are being conquered. Thus, he wisely led all policies based on this idea.

The communist policies put forward by the great leader and our party include guaranteeing food, clothing, and shelter at the expense of the state; a free educational system and free medical treatment; a system for nursing and educating children; a system for leave and recreation; the state social insurance and social security system; and various other issues that cover diverse and profound matters that include everything from what a man eats, wears, and consumes, where he resides from birth and how he is educated, to how the diseases of his children are cured, how his own health is promoted and protected, and how his living is ensured should he lose his ability to work.

Such communist policies, which have embodied the chuche idea with men as its center, are the benefits extended to every worker by the state and the benevolent consideration given to all people by the party and the state. These are the sprouts of communist distribution directly linked to the complete victory of socialism.

Under the wise leadership of the great leader and our party, the government of the Republic actively discovered the elements of communist distribution and expanded them one by one according to the prevailing conditions in the past.

The government of the Republic correctly designated the order of communist policies by distinguishing what can be done today from what can be done tomorrow, beginning with the sector with urgent significance to the people's lives. It expanded the scope of such policies and correctly implemented them.

These policies are the just and unique policies of our party and state, which correctly embodies inevitability in the development of socialist society, gradually ensuring the workers' lives which were ensured through labor distribution with the expansion of the scale of the state's benefits, based on the communist policies. Thus, the significance of communist policies increases over the course of constantly expanding budget disbursement through benefits from the state.

Today the additional benefits extended to our people from the state according to the communist policies reached a very high standard, almost equivalent to the remuneration they receive for their labor.

Our party and the government of the Republic implemented correct communist policies to resolve the problems of food, clothing, and shelter, which are of most urgent significance in the people's lives.

The government of the Republic extended enormous benefits, amounting to more than 560 won, each year to each household by implementing the policy of supplying rice, a basic in the workers' diet, nearly free of charge. It guarantees a stable diet for the workers by supplying food for the masses at cheap prices.

Last year the government of the Republic disbursed a huge amount of compensation for clothing for students and children and implemented a benevolent policy of supplying good clothing to children and students, who account for more than half of the entire population, at one time, free of charge.

This was indeed a popular policy designed to equally supply clothing to all the people, beginning with students and children, to reduce the burden of households with many children and to extend additional benefits to all the people.

Through disbursements for consumption and residences, the government of the Republic guaranteed fuel at cheap prices and more smoothly met the daily-increasing demand for houses for urban residents. It also guaranteed houses for members of cooperative farms free of charge.

Such communist policies related to providing the people's food, clothing, and shelter are a clear demonstration of the warm love of the great leader and our party for the people and of the superiority of the socialist system in our country, whereby the nation equally provides for the people's lives by taking the responsibility for them. [applause]

Under the wise leadership of the great leader and our party, the government of the Republic consistently maintained a policy which was comprehensively implemented in the domains of social life and culture by extending the range of communist policies and directed strength giving priority to enhancing the quality of education based on an overall free educational system.

Last year the government of the Republic improved the contents and methods of education according to the party's policy of improving the quality of the overall 11-year compulsory education system in the elementary education sector by increasing funding for education work by 105.8 percent last year over the previous year. To systematically educate students with outstanding ability and talent, the government of the Republic organized the first senior high school in every province, increasing the numbers of schools and classrooms, thus laying a material and technological foundation in a more modernized manner.

The higher education sector registered a great advance in implementing the policy of intellectualizing the entire society by increasing the number of technicians and experts to 1,250,000.

By brilliantly embodying the communist education policy, the state more highly demonstrated the superiority of the education system, implemented for all the people free of charge throughout their lifetime, by thoroughly ensuring free of charge technical education, college education, adult education, on-the-spot education, refresher education, social education, and even out-of-school education, not to mention kindergarten and education for those engaged in labor.

Today the state disburses enormous amounts of money, almost 10,000 won, to educate each student up to the university level in our country. The rate of educational funding from the nation's budget according to such a popular educational policy in our country is the highest. Our people take pride in this. [applause]

The long history of the education of mankind knows no such thoroughgoing and complete free education and communist policies implemented at the expense of the state as in our country. That the grand garden of communist education realized on this land is a reality is the great victory of our party's educational line, which embodies the chuche idea and is a clear demonstration of the superiority of the popular, free educational system implemented in our country. [applause]

The communist policies implemented in our country have been brilliantly embodied in the public health sector to protect life and promote the people's health.

Our nation's public health policy is a chuche-oriented policy that treats the working masses as the center of everything, a preventive medical policy designed to prevent diseases, and a popular policy whereby the state responsibly and carefully provides for people's health requirements throughout their lives. This policy is also a communist policy whereby the state shoulders and pays for all burdens incurred by prevention and treatment.

Last year the government of the Republic allocated enormous funding, which increased by 106.7 percent over the previous year, to the public health sector. It completed the construction of the modern large-scale Kim Man-yu Hospital and began its operation. It increased the numbers of preventive medical organizations and functionaries of the medical sector. By enhancing the level of modernization and scientification of medical facilities, the government of the Republic achieved an advanced standard among world nations in terms of major public health indexes by placing 26 doctors and installing 130 beds per 10,000 people.

Without the great leader, who spares nothing for the life and health of the people, and without the lofty intention and wise leadership of our party, we cannot imagine the genuine superiority and communist nature of our nation's public health system, which embodies noble love toward mankind. [applause]

Last year the government of the Republic created a number of outstanding films, including the art film "Witness," under the party's leadership by effectively using the enormous amount of money spent for cultural work and actively contributed to the ideological indoctrination and cultural and spiritual life of the workers by building many cultural facilities.

Thus, it defended and protected the great achievements of the party in unfolding a great golden age of socialist literature and art. The communist policies, whereby the state takes responsibility for the people's lives, have

been brilliantly implemented through the state social insurance and social security systems.

Today the state social insurance and social security systems implemented in our country are systems that ensure the people's lives with special benefits and popular policies whereby the state shoulders and provides for the cost of living of workers who lost the ability to work. It is a communist policy that extends benevolence to all workers, including even peasants. [applause]

Our country, where the cause of abolishing the tax system has been brilliantly achieved, appropriates the money earned by the people themselves through their creative labor based on the firm self-reliant national economy for the enormous amount of funds required to implement such a communist policy. That our people have become the proudest and happiest people who enjoy such material and cultural welfare today as we can enjoy only in a communist society is the precious fruition of the lofty intentions and wise leadership of the great leader and our party. [applause] [end recording]

He went on to note that the government of the Republic plans to disburse a great amount of funding for communist policies designed to promote the people's material and cultural welfare, even amid acute circumstances in which it carries out economic construction tasks this year.

He stressed that this year we should widely implement communist policies in many fields of social life by effectively using such precious funds so that the benevolence of the great leader and the party can be extended to our people in a more excellent manner.

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CSO: 4110/136

N. KOREA/ECONOMY

OFFICIALS COMMENT ON ANNUAL BUDGETS

CHONG YON-UK SPEECH ON LOCAL INDUSTRY

SK291150 Pyongyang Domestic Service in Korean 0024 GMT 23 Apr 87

[Speech by Deputy Chong Yon-uk at the second session of the Eighth SPA of the DPRK held in the Mansudae Assembly Hall on 22 April--read by announcer with portions recorded]

[Text] Deputy Chong Yon-uk addressed the SPA session. He first acknowledged that last years' state budget was successfully executed according to the correct policy of the government of the Republic, which financially guarantees our people's living, and that this year's state budget, as well, has been correctly worked out to vigorously accelerate socialist economic construction and further improve the people's standard of living. He fully supported and approved this year's budget.

Noting that Hyangsan County, last year, by thoroughly implementing the unique local budget policy put forth by the great leader, created a large amount of revenues for the state even after properly guaranteeing the funds needed to develop the economy and culture of the county and improve the people's standard of living with its own income, he went on to add:

[Begin Chong recording] Comrade deputies: Today, we face the heavy task of achieving a breakthrough in fulfilling the 3d 7-Year Plan by effecting a new upsurge in socialist economic construction by upholding the great leader's historic policy speech during the first session of the Eighth SPA and the decision of the 12th plenary session of the Sixth Party Central Committee.

While consolidating our successes, we will thoroughly implement the local budget policy. By so doing, we will develop the economy of the county, drastically improve the people's standard of living, and even more properly manage the Myohyangsan District.

We will modernize the facilities of local industrial plants and actively mobilize local resources. We will increase the rate of local materials more than 70 percent and stabilize production at a high level. By so doing, we will increase this year's production by local industry more than 110 percent over last year and drastically increase the amount of each employee's production.

In particular, we will further modernize the Hyangsan souvenir plant and vigorously wage the technological innovation movement. By so doing, we will further increase the variety of souvenirs and increase production to more than 300,000 pieces, thus offering better service to tourists visiting Myohyangsan.

We will firmly organize the local export base and actively dig out export resources, such as cocoons and mountain herbs. By so doing, we will increase county revenues.

By upholding the party's service revolution policy, we will organize the service network and facilities in a modern way. We will further increase the productivity of existing chicken farms, accelerate the construction of pig and duck farms, and firmly organize the vegetable production base. By so doing, we will independently solve the problem of resources for food service.

We will further improve the people's standard of living and ceaselessly increase the county's budgetary revenues. By so doing, we will overfulfill this year's local budgetary revenue plan more than 110 percent.

During this meaningful year, as we mark the 40th anniversary of the great leader's first visit to our county, we will even more properly manage Myohyangsan and even more properly preserve historic relics. We will accelerate the completion of construction of a tourist hotel and the construction of Hyangsan-up. By so doing, we will make the Myohyangsan District shine more brilliantly as a resort of the people and as a world-famous place of natural beauty.

In conclusion, I firmly pledge that I will greatly contribute to increasing revenues for the country and earn the honor of a model county by planning work boldly and on a large scale and commanding it competently according to the intent of the party and by even more highly displaying the superiority and vitality of the local budget policy through the mobilization of all local resources and potential. [applause] [end recording]

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CS0: 4110/136



N. KOREA/ECONOMY

SPA DEPUTY SPEAKS ON CEMENT INDUSTRY

SK010357 Pyongyang Domestic Service in Korean 0039 GMT 23 Apr 87

[Speech by SPA Deputy Kang Yong-kol at the 22 April 2d-day meeting of the second session of the Eighth DPRK SPA held in the Mansudae Assembly Hall, Pyongyang--with portions recorded]

[Text] Deputy Kang Yong-kol debated next.

[Begin recording] Comrade deputies: I fully support and approve this year's state budget presented for the deliberation of this SPA session by acknowledging that it has been correctly worked out to effect a new revolutionary upsurge in the movement of the general march to accomplish the 1st year's task of the 3d 7-Year Plan according to the programmatic task which the great leader Comrade Kim Il-song put forth in his historic policy speech at the first session of the Eighth SPA, and at the 12th plenary session of the Sixth Party Central Committee. [applause]

Under the wise leadership of the great leader Comrade Kim Il-song, the government of the Republic, according to our party's correct economic policy, annually appropriated an enormous amount of funds to the cement industry. As a result, the cement industry of our country has developed and strengthened at a very rapid pace and has become an even more chuche-oriented and modernized key industry.

Last year, our 8 February Cement Complex, by effectively using the large amount of funds given by the state, newly built the modern No 6 calcinator and further enhanced the level of the production process modernization. By so doing, it overfulfilled its industrial production quota by 70 percent and created more than 1.5 times more revenue for the state over the previous year.

This success is clear evidence of the correctness of our party's policy to properly meet the growing demand for cement by enhancing the level of the modernization of technology and equipment and stabilizing production at a high level by increasing state investment in the cement industry, and the great vitality of the state budget of our country.

Many years ago, the party center already clearly elucidated the goal of automation, its phases, and the way for its realization and sent many precious

automation facilities and technological groups to automate the production process at our complex.

As a result, the industrial closed circuit television system has been introduced for high-temperature calcinators as well as the remote control system for cement crushers, which create much dust and noise, thus making great progress in the modernization of technology and equipment.

Based on this success, we organized, with able technicians and skilled workers, a 15 April technological innovation shock brigade and, by enhancing their creativity and role, introduced the remote control system for the calcinators and other key production processes and established a modern industrial communications system. By so doing, we have established a perfect production command system.

In addition, we examined in detail the overall status of the technology and equipment of the plant and replaced outdated facilities with more efficient and modern ones. By so doing, we vigorously pushed ahead with the work to rectify the equilibrium between production processes. As a result, today, the automation level of our complex has reached a high stage and its cement production capacities have increased by 1.2 times in recent years.

This brilliant fruition is a result of the wise leadership of the respected and beloved leader who always directs deep interest to freeing our working class from the hardships of labor and providing even safer and more modern working conditions for it, and as a result of our party's policy of modernizing the people's economy. [applause]

Last year, while increasing the level of the modernization of technology and equipment, we standardized and regularized industrial management according to the character of complex. By so doing, we vigorously struggled to stabilize production at a high level.

The great leader Comrade Kim Il-song, again conducting the on-the-spot guidance over our complex on 19 April 1983, taught that the basic task of the 8 February cement complex was to stabilize production.

The area on which we placed emphasis to stabilize production was the struggle to exceed the authorized production capacities of all facilities according to the party's policy. We comprehensively reviewed the authorized capacities of the facilities and, according to the new situation in which the facilities were reinforced, fixed labels on each facility to show its hourly, shift, monthly, and annual production capacities. At the same time, we made all production workers correctly realize the capacities of machines and facilities and struggle to make the most of the facilities. In addition, we made each functionary and technician assume responsibility for one of the important facilities, solve the pending technological problems swiftly, and evaluate their work with emphasis on making the most of the authorized production capacities.

By so doing, last year, the calcination workshop increased the operation of calcinators by 1.2 times by improving the quality of refractory bricks and operating calcinators scientifically and technologically. At the same time, by introducing 147 new technological innovation ideas, we enhanced the production capacities of all facilities, thus increasing cement production by 7 percent over the previous year.

In stabilizing production at a high level, we did not always depend on the state for materials and resources needed for cement production but vigorously struggled to find and utilize hidden potentiality. We made the responsible functionaries of the plant, its technicians, and workers, with a correct stand and views on the economy of the country, economize materials and resources to the maximum extent and vigorously struggle to mobilize to utilize idle materials through the mass movement.

By so doing, while stabilizing production at a high level according to the great leader's on-the-spot teachings, our complex, last year, reduced cost by 2.8 percent over the previous year and created 2.37 million won in revenue for the state.

The great leader Comrade Kim Il-song, when he was briefed on the cement production of our complex last September, said that our complex overfulfilled its production quota by stabilizing production and created a large profit for the state by reducing cost, and extended congratulations and appreciation more than we deserved. [applause]

The successes which our complex has won are all entirely a brilliant fruition of the tested leadership of the great leader and our party that have opened the new story of the chuche-oriented cement industry and established the modern cement production base as it is today. [applause] [end recording]

Continuing, he stressed that his complex would actively contribute to successfully guaranteeing the capital construction of the new long-range plan by modernizing technology and equipment and stabilizing production at a high level.

He also said that his complex, by correctly applying the independent financial operation system according to the demand of the Tae'an work system and establishing the spirit to manage the economy of the country properly, would reduce the cost of industrial products more than 3 percent and drastically overfulfill this year's plan to create revenue for the state.

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N. KOREA/ECONOMY

KNITWEAR PLANT DEPUTY SPEAKS ON TEXTILE INDUSTRY

SK301213 Pyongyang Domestic Service in Korean 0054 GMT 23 Apr 87

[Speech by Deputy Yang Yong-suk at the second session of the Eighth SPA of the DPRK in the Mansudae Assembly Hall on 22 April--read by announcer with portions recorded]

[Text] Deputy Yang Yong-suk addressed the SPA session.

She noted the great amount of profit the Kangso knitwear plant created for the state last year in overfulfilling its people's economic plan by 2 percent and its state revenue plan by 21.2 percent by firmly guaranteeing the chuche-oriented character of the knitwear industry and carrying out management activities in a rational manner through the effective utilization of the state investment.

She specifically noted the success of the plant last year by upholding the great leader's teachings in the vigorous struggle to increase the rate of outerwear production through the production of knit vinalon textiles and improve knitwear quality, and the success and experience gained in the vigorous struggle to economize materials and resources. She went on to add:

[Begin Yang recording] Through the struggle to implement the party's policy related to the knitwear industry, with the rich vinalon fiber of our country, we increased the production of high-class knit textiles and various other strong and beautiful knitwear. By so doing, we actively contributed to brilliantly realizing the respected and beloved leader's far-reaching plan and our party's policy to even more properly solve the people's clothing problem.

Over this course, last year our plant earned the honor of winning the rotating joint flag of the WPK Central Committee, the Central People's Committee, and the State Administration Council, and, in the meaningful March of this year, earned the title of the model No 26 unit plant.

All of our successes of last year were entirely the brilliant fruition of the wise leadership of the great leader Comrade Kim Il-song and the party center, and powerful evidence of the superiority of the correct popular policy of the government of the Republic and the chuche-oriented socialist financial management system of our country. [applause]

Comrade deputies: This year, as well, the government of the Republic envisages the appropriation of a large share of the state budget for the textile industry to increase the production of the people's consumer goods and to further improve the people's standard of living.

By remembering that thoroughly implementing the financial policy of the party and effectively utilizing the state budget appropriated for the textile industry are important to successfully fulfilling this year's people's economic plan and improving the people's standard of living, we will even more meticulously plan management activities to create more profit for the country and people and economize to the last cent.

We will continue to vigorously struggle to implement the policy of the chuche-oriented knitwear industry put forth by the great leader Comrade Kim Il-song. By so doing, we will increase the production of knit vinalon textiles and outerwear, decisively improve knitwear quality, and stabilize production at a high level. By so doing, we will fulfill this year's people's economic plan, set 11 percent higher than last year, before 10 October and overfulfill it more than 20 percent by the end of the year.

By remembering deep in our hearts the great trust the great leader has extended by calling our plant a self-reliant plant, we will create what we do not have and dig out what is insufficient. By so doing, we will vigorously struggle to increase production with fewer funds and less manpower.

We will continue to vigorously carry out the mass technological innovation movement, thus further modernizing knitting facilities and organizing the tool repair base even more properly. By so doing, we will put all facilities into full operation and independently produce and supply accessories we have previously imported.

This year, we will continue to place great emphasis on producing 3 August people's consumer goods and effect a new turn in the production of daily necessities. By so doing, we will actively contribute to improving the people's standard of living.

In addition, we will utilize all byproducts and waste materials created over the course of production to increase the production of beautiful children's knitwear and various daily necessities. Over this course alone, we will earn more than 3 million won in additional revenue.

Also during this year we will ceaselessly upgrade technological and economic standards and improve the quality of all products to the world level. In doing so, we will reduce the material consumption rate by 15 percent and the cost of industrial goods more than 5 percent, thus increasing the income of the enterprise and overfulfilling this year's state revenue plan more than 20 percent.

Therefore, I firmly pledge that we will actively contribute to improving the people's standard of living and increase the revenue of the state. [applause]  
[end recording]

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## N. KOREA/ECONOMY

### PROVINCIAL DEPUTY SPEAKS ON LOCAL BUDGET PLAN

SK301215 Pyongyang Domestic Service in Korean 0104 GMT 23 Apr 87

[Speech by Deputy Yom Chae-man at the second session of the Eighth SPA of the DPRK in the Mansudae Assembly Hall on 22 April--read by announcer]

[Text] By placing effort on thoroughly implementing the local budget policy put forth by the great leader Comrade Kim Il-song, our North Pyongan Province made great progress in further strengthening the financial foundation of the country and accelerating local economic development and cultural construction by mobilizing and utilizing hidden potential to the maximum extent through the ceaseless enhancement of the local power organs' function and role as the households responsible for the economy of the country and the people's lives.

Our province, which annually increased local budgetary revenue thanks to the wise leadership of the great leader and the correct financial policy of our party, last year overfulfilled its local budgetary income plan by 1 percent.

The great leader Comrade Kim Il-song has taught: To properly apply the local budgetary system, local responsible functionaries must know what is demanded by the people and what is independently done in their local areas. If we think and dig out, there is much potential to increase financial income.

The administrative and economic guidance committee of our province mobilized all possibilities and potential to increase local budgetary income to the maximum extent. In doing so, the area on which we placed preferential effort was to establish its strong material base to make our local industry, food plants in particular, display their vitality.

In universalizing the example of Yomju County, we meticulously planned the economic organizational work. By so doing, last year we newly established a 900-chongbo material production base, thus securing several thousand chongbo of local material base and increasing the production of grains, vegetables, fruit, and meat. At the same time, by properly utilizing the mountainous natural conditions, we also increased production of wild fruit and other natural resources, such as big-cone pine trees.

Another area where we placed effort to increase local budgetary income was properly organizing local industrial plants to increase the production of various people's consumer goods.

Thus, as a result of the active mobilization and utilization of hidden resources, with less cost, we could increase the production and supply of the various consumer goods needed to improve the people's standard of living.

While strengthening the local industry, our province organized many daily necessity production workshops and workteams at all plants and enterprises, and many home workteams. By so doing, we actively increased the production of 3 August people's consumer goods.

In addition, through the struggle to launch the service revolution, we increased local budgetary income by adhering to merchandise circulation work, social food service work, and other service work.

As a result, the local budgetary income of our province increased annually and last year it increased 150 percent over 1973. Thanks to the increase in local budgetary income, we could do many things in managing the economy of the province.

Thus, by increasing the local budgetary income last year, we could offer a large amount of funds to the state even after the cities and counties of the province met all expenditures needed to develop their local economies and cultures and improve the people's standard of living by their own incomes.

All these facts show that the local budgetary system of our country uniquely established by the great leader is the most superior socialist budgetary system, and that it can display even greater vitality, if it is ceaselessly deepened and developed according to the demand of the party and according to the advance of socialist construction.

This year, by upholding the great leader's historic policy speech and his teachings given to our province last year, we will effect a new revolutionary upsurge in socialist economic construction. By so doing, we will successfully accomplish the 1st year task of the 3d 7-Year Plan.

By firmly seizing the work to thoroughly implement the party's local budget policy, we will strengthen organizational and political work according to the demand of the developing reality. By so doing, we will make all cities and counties vigorously turn out in the movement to create model counties in implementing the local budgetary policy.

By highly displaying loyalty to the party and the leader and the spirit of sacrificial service for the fatherland and the people, we will fulfill the people's economic plan of the province and its local budgetary income plan without fail. By so doing, we will actively contribute to making this meaningful year the most glorious year in the history of our fatherland.

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## N. KOREA/ECONOMY

### KIM YONG-OK SPEAKS AT SPA SESSION ON FARM WORK

SK010149 Pyongyang Domestic Service in Korean 0124 GMT 23 Apr 87

[Speech by SPA Deputy Kim Yong-ok at the 22 April 2d-day meeting of the second session of the Eighth DPRK SPA held in the Mansudae Assembly Hall, Pyongyang--read by announcer]

[Text] Last year, in accordance with the party's will to place emphasis on farming, the government of the Republic earmarked much of the state budget for this and made it possible to solidify more firmly the material and technological base of the rural economy and engage in farming as required by the *chuche* agricultural method, overcoming the disadvantageous natural and climatic conditions, thereby attaining great success in agricultural production.

Our Noam Cooperative Farm in Anak County increased grain production last year by 0.68 percent over the previous year. As for the production of fish, it overfulfilled the fish production target by 12.4 percent.

During this period, the great leader, who put forth the policy on attaching prime importance to farming and vigorously led the entire party membership, the entire country, and all the people in supporting the rural areas, visited our farm many times. Grasping the operation of the farm in detail, he solved the pending problems and brightly elucidated the road for us to follow.

Upholding the great leader's teaching, we vigorously conducted the ideological and indoctrinating work for the farm workers and ensured that their endless loyalty to the party and the leader was highly demonstrated in their practical activities to implement the *chuche* agricultural method. Because we vigorously conducted the ideological and indoctrinating work in combination with practical activities, all the farm workers came to deeply cherish the awareness of being the master of the revolution and the master of the farm. Ridding themselves of the ideological view that they can hardly engage in farming without support labor, they came to be able to engage in farming efficiently, overcoming any difficulties by themselves. In this way, our farm came to engage in farming by its own strength without receiving the support labor which had been provided for it for several years, and was able to increase grain production.



To engage in farming by ourselves, we undertook to renovate the cultivated fields in the first place, making the paddies in better shape. By effecting technological innovations, we designed new farming machines or improved the existing farming machines to make them more efficient and extensively used them in farming operations, thereby further extending the types and scopes of mechanized work.

At the same time we vigorously conducted the struggle to convert the nonpaddy fields into paddies, converting our farm, which had failed to increase grain production while its farming had been largely nonpaddy field farming, into a dependable rice production base.

Last year we also conducted a struggle, in the form of a mass movement, to produce good quality manure in greater quantities to ship it to paddies and nonpaddy fields in close combination with the struggle for raising domestic animals, and by systematically conducting the work of improving the quality of soil and improving cold and wet land, we improved the fertility of land.

Last year, we also paid deep interest in the work of efficiently conducting the farm economic life and intensified the ideological and indoctrinating work so that all the farm workers could highly value the interests of society and state and carry out the farm economic life with an attitude befitting a master. In this way, our farm saved agricultural production expenses and further increased the farm workers' real income and income distribution for each family unit last year.

Today, under the resplendent ray of the socialist rural thesis given forth by the great leader, our farm has been excellently converted into a modern socialist rural area, joining the ranks of the farms that are increasing agricultural production every year without support labor.

The great leader Comrade Kim Il-song has taught: The most important problem at present in developing agriculture is to completely realize the task of the rural thesis concerning the industrialization of agriculture by completing the comprehensive mechanization and chemicalization of the rural economy.

This year is an honorable and rewarding year in which we wage the first battle to carry out the tremendous task of the 3d 7-Year Plan. The successful fulfillment of this year's plan will open a breakthrough in carrying out the new long-range plan. To brilliantly carry out the honorable and rewarding task set for the farm, we will arm ourselves more firmly with the great chuche idea, and upholding the party's slogan, "The cultivated fields of the farm are my cultivated fields," we will vigorously wage the struggle to do this year's farming better with our own strength and brilliantly fulfill the task set forth by the socialist rural thesis.

I firmly resolve that I will go deep among the masses of the farm workers and vigorously evoke them to the rewarding struggle to increase grain production with exemplary revolutionary spirit, so that we will add luster with a bumper crop again to this significant year in carrying out the 1st-year task of the grand 3d 7-Year Plan.

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